Enrollment Workgroup Public Hearing
<mark>Draft Transcript</mark>
November 10, 2010

Presentation

Judy Sparrow – Office of the National Coordinator – Executive Director
Good morning, everybody, and welcome to the HIT Policy Committee's Enrollment Workgroup. This is a Federal Advisory Committee, which means there will be opportunity at the close of the meeting for the public to make comment and a transcription is also being prepared, so please remember, workgroup members, to identify yourselves when speaking.

Let's go around the table here and briefly introduce yourselves, beginning on my right with Bobbie Wilbur.

Bobbie Wilbur – Social Interest Solutions – Co-Director
Bobbie Wilber, Social Interest Solutions.

Kristen Ratcliff – ONC
Kristen Ratcliff, ONC.

Tom Schankweiler – HHS – Chief Information Security Officer
Tom Schankweiler with HHS ... Office.

Wilfried Schobeiri – InTake1
Wilfried Schobeiri with InTake1.

Jim Borland – SSA – Special Advisor for Health IT, Office of the Commissioner
Jim Borland with the Social Security Administration.

Deborah Bachrach – Bachrach Health Strategies – President
Debbie Bachrach, Independent Consultant.

Paul Egerman – Software Entrepreneur
Paul Egerman, Software Entrepreneur.

Terri Shaw – Children's Partnership – Deputy Director
Terri Shaw, The Children's Partnership.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Sam Karp, California Healthcare Foundation.

Bryan Sivak – Government of D.C. – Chief Information Officer
Bryan Sivak, Chief Technology Officer for Washington D.C.

Sallie Milam – State of West Virginia – Chief Privacy Officer
Sallie Milam, Chief Privacy Officer for the state of West Virginia.

Bob Arndt – Kaiser Permanente
Bob Arndt, Kaiser Permanente.

Ronan Rooney – Curam Software – CTO & Cofounder

Ronan Rooney, Curam Software.

Gopal Khanna – State of Minnesota – Chief Information Officer
Gopal Khanna, CIO for the State of Minnesota.

Jessica Shahin – USDA – Associate Administrator, Food Stamp Program
Jessica Shahin with SNAP at USDA.

Judy Sparrow – Office of the National Coordinator – Executive Director
We do have a number of members on the telephone. Stacy Dean, are you there? Steve Fletcher?

Steve Fletcher – State of Utah – Chief Information Officer
Present.

Judy Sparrow – Office of the National Coordinator – Executive Director
Anne Castro or Jennifer Davis? Oren Michels?

Oren Michels – Mashery – CEO
I'm here.

Judy Sparrow – Office of the National Coordinator – Executive Director
Sharon Parrott? David Hale?

David Hale – NLM NIH – Project Manager for Pillbox
I'm here.

Judy Sparrow – Office of the National Coordinator – Executive Director
Julie Rushin? Anyone else on the telephone?

Claudia Page – Social Interest Solutions – Co-Director
Claudia Page is here from Social Interest Solutions.

Judy Sparrow – Office of the National Coordinator – Executive Director
Good morning. There are a couple of members that are stuck in traffic. They'll be here momentarily, so I'll turn it over to Sam.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Good morning, everyone. I want to especially welcome those who are here in the audience in Washington today, as well as those, who are on the telephone listening. This is the 11th meeting of the Enrollment Workgroup. I think everyone knows we are a workgroup of the HIT Policy and Standards Committee and we have been charged with developing the standards for Section 1561 of the Affordable Care Act.

This meeting is the official kickoff of the second phase of the activity of the workgroup. Some of us didn't realize we were signing up for phases when we did, but we all have become dedicated to and committed to finishing out the work that we started. The first phase of our work—and we'll talk about that in a minute—was under a very severe time crunch to meet the statutory requirements. After meeting those we realized in consultation with the Administration, with CMS and OCIIO that there was still a lot of work to do and so we have all signed up for that second round of activity. We think it's quite appropriate actually that we're having a public hearing today, because that's how we started off in our first meeting, by getting input from the public, from federal agencies, from policy direction, from the Administration and that really set the stage for our first phase of activity. So today we're very fortunate to have industry representatives, representatives of state and Medicaid agencies to help us understand what are some of the challenges in meeting the new standards that have been set. What more can we do in that regard?

Let me move to the first slide. We're going to be joined by my Co-Chair, Aneesh Chopra, a little later this morning. Aneesh, as you may know from reading the newspapers, had quite a busy week. He on Monday was accompanying the president in India and yesterday shared the stage with Bill Gates at the mHealth Summit, the Mobile Health Summit. He's just finishing a meeting this morning and should join us shortly.

You have in front of you a list of our workgroup members. I particularly want to welcome two new members today. Eli Staub is representing the SEIU. He cannot be here today, but sitting in for Eli today is Susan Drury, so welcome, Susan. Tom Schankweiler is here today representing the Office of Consumer Information and Insurance Oversight, now referred to as OCIIO and you'll hear lots of references. Tom is the Chief Security Officer, Chief Information Security Officer at OCIIO, so welcome, Tom. We're happy to have you join the workgroup.

Tom Schankweiler – HHS – Chief Information Security Officer
Thank you very much.

Sam Karp – California HealthCare Foundation – Chief Program Officer
So, our agenda for today: First, we're going to just do a very brief review of our work to date and kind of do a level set on where we are. Then we're going to talk briefly about our path forward. As you know, we have employed the use of tiger teams to really sharply focus on particular areas of work. Then we're going to have an industry panel discussion and we're going to shake that up a little bit from the way we originally envisioned it and I'll talk about that in a minute. We're going to take a break at 11:10 for about 10 minutes and do a little stretch and then we're going to come back and finish the morning panel. We'll break for lunch at 12:30 and have an hour off. Then we'll return at 1:30, where we'll have a panel of state Medicaid representatives that will speak with us. We'll finish out the afternoon by talking about the next steps for the workgroup and then we'll have time for public input. We hope to adjourn somewhere around 4:00, no later than 4:15.

Any concerns about the agenda or anything else to add? All right. We'll proceed that way.

As we do at each of our meetings, we go back and take a look at what our charge was that authorized this workgroup's activity, Section 1561 of the Affordable Care Act. We met, as I said a moment ago, the first requirement. We delivered a series of recommendations to HHS on how to develop interoperable and secure standards and protocols that when put into effect would facilitate enrollment in federal and state Health and Human Service programs. So where are we? What have we done so far?

Between June 14th and August 31st we had eight public workgroup sessions and only the people around this table know how many, many tiger team meetings. We had often several in one week, a tremendous commitment of time by members of this workgroup. On August 19th Aneesh and I presented to the HIT Policy Committee an initial set of recommendations. The Policy Committee made some changes to them. We revised them based on those changes and ten days later, on August 30th, we presented the set of recommendations to the HIT Standards Committee. They too made some adjustments and changes to them and on September 7th the Federal Advisory Committees delivered the final set of recommendations to the Office of the National Coordinator. Ten days after that, exactly 180 days after enactment of the Affordable Care Act, Secretary Sebelius accepted and promulgated the recommendations and they now are the enrollment standards that are in effect.

Now, some interesting things have happened subsequent to the standards being accepted by the Secretary. Two weeks ago OCIIO announced a funding opportunity for innovation grants, cooperative agreements with five states, who had developed innovative IT approaches to health insurance exchanges and embedded in that funding opportunity is a requirement to meet the standards of 1561.

A few days later CMS issued guidance to the states on the development of enrollment and eligibility for the Affordable Care Act and embedded in that as well, our requirement to receive enhanced match and

enhanced maintenance funds, the requirement to meet the standards of 1561. So when we all sat around as a workgroup wondering what would come of this work that we were doing, we now know at least a partial answer to that; that it's built in as requirements to meet, the desire to improve the way eligibility and enrollment is done.

Another interesting thing has happened since this action by the Administration over the last few days: We checked the Web logs to see what type of activity there had been on the page that ONC has that hosts the new standards and lo and behold, in the last two weeks; I was going to do a little test here to see if anybody could guess, but I'll just tell you; we had 700 unique visitors looking at those recommendations, so money talks. Nobody walks so to speak.

Where do we go from here in terms of a workgroup? We have been meeting in tiger teams trying to develop the agenda for our next set of activity and so I'll keep this just at a very high level because we have a schedule of tiger team meetings over the next few weeks where we'll get into this much more, but at a high level we're working with CMS and OCIIO to talk about how this workgroup can assist them in the implementation of the standards. We have a very long list. We met yesterday with Penny and Cindy and the team at CMS and with Henry to talk about what we could do and when we finished our conversation we realized the list was so long that we really needed CMS and OCIIO to help prioritize it for us, because it wasn't possible to do all of those things. So rather than run through that whole list let me just suggest that we will be receiving a prioritized list of things, but it runs the gamut from helping them think about what's truly innovative in the OCIIO applications around the innovation grants and how do we think about disseminating those innovations and what kind of support could we provide. How can we help continue to educate and evangelize, so to speak, what these standards indicate and as we try to say in the appendices that we developed much more about why we think they're important?

But we also have three of our four original tiger teams continuing their work. The Verification Interfaces Team is going to focus on implementation with OCIIO of the national verification interfaces and the relationship that those may have to state separate data sources that would be important in verification as well. The Business Rules Group is going to focus on standards for consistent expression of these business rules. We've also talked about the importance of being able to have a repository, a national repository of these business rules. Then the Privacy and Security Tiger Team is going to really take a look at the gaps that exist between the work we've done between fair information practices and other federal frameworks around privacy and that will be the work of that team.

ONC has an internal team that's going to continue to work on the development of NIEM, the National Information Exchange Model and work on the processes and framework for the ten core data elements that we identified. Then lastly, we have assigned a new tiger team that's going to work on consumer focused issues, looking at improving consumer access, engagement, usability, customer service. I want to thank Terri Shaw and Bryan Sivak, who have agreed to co-chair that new tiger team and those of you who have signed up to be a part of it.

So, as I mentioned a moment ago, we have changed around how we thought we would do information gathering from the vendors that have agreed to participate today. We thought initially we might have a larger group and so we broke up, as you saw in your initial agenda, into separate panels, but because we have five companies here today and seven individuals we thought we would take advantage of their collective expertise across all of the topics that we want to learn about. So first, let me welcome you all. Thank you for coming. Thank you for your written comments. We appreciate them. I know workgroup members got them late, but we have all had a chance to at least look at them.

Let me just start by asking you to introduce yourselves and your company and then we'll talk about your charge. Jim, how about starting for us?

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
My understanding is seven minutes or just a quick overview. What are you guys looking for?

Sam Karp – California HealthCare Foundation – Chief Program Officer
We're just looking for your name and your company and then we'll tell you where we're going from there.

Aneesh Chopra – White House – CTO
We're calling an audible, Jim. We're calling an audible.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
Calling an audible. That's right. My name is Jim Tyrrell. I'm a JBoss Solutions Architect from Red Hat representing the Drools Project, which is a rules engine, which I'm looking forward to talking you a bit more about this morning.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Thank you.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
I'm Steve Middlekauff with HP.

John Petraborg – HP – Welfare and Benefits Expert
John Petraborg with HP.

David McCurley – Accenture – Global Managing Director, Human Services
I'm Dave McCurley, the Global Human Services Director with Accenture.

Arvinder Singh – CNSI – SVP Health & Human Services
I'm Arvinder Singh with CNSI.

Garland Kemper – Unisys – Health & Human Services Program Director
I'm Garland Kemper, the Health & Human Services Program Director with Unisys.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
I'm Tim Orient, the Health & Human Services Portfolio Manager.

Sam Karp – California HealthCare Foundation – Chief Program Officer
So again, welcome to all of you and thank you for being here this morning. A number of years ago I was involved with an activity called We are the World sponsored by the USA for Africa Foundation and its subsequent activity, Hands Across America. Like you all, we had a collection of superstars in their field. The producer of the even, Quincy Jones, suggested to all of the superstars that were gathered to help us in having a collective experience it would be helpful to check their egos at the door. So what I would like to suggest is that you all, for the benefit of our purposes in learning, check your corporate egos and your marketing acumen at the door, because we really want to understand where we are today, because that will help us understand where we need to get to to be able to implement new and better and streamlined and more efficient eligibility enrollment systems in the future.

I want to start with posing a question to you and then we're going to go into the five different areas that you saw that were the core of our standards, the new standards in our recommendation. Let me pose it this way: Forty million Americans are going to become newly eligible for health coverage in 2014. Half of those will become eligible for Medicaid. The other half will become eligible for some form of public subsidy. Forty million is the number of people who will become eligible. I just want to be clear. The OMB is budgeting 32 million will actually enroll and that's no different than most entitlement programs that we have. There are more people who are eligible than actually enroll.

We live in a digital society. This population of newly eligible people, we believe and the work that this workgroup has done so far suggests that a large number, maybe 70% or 80% or maybe it's even higher,

will look to going on-line to enroll in the new health insurance programs. Each of you in some way has been involved over the last number of years in developing on-line enrollment systems. Some of you represent the largest installations in the country. Some of you represent the largest Medicaid jurisdictions in the country in terms of your applications and software. Some of you have designed, built and still manage and maintain those systems. So help us understand where are we today. How many of these systems are offering on-line enrollment? What percent of applicants are taking advantage of that? What are the challenges that you, as system designers and operators, face? What are the challenges through your call centers that you hear about that consumers are facing? How complete are the applications? I could go on and on, but you get the drift, so let's start with that.

Aneesh Chopra – White House – CTO
The way we want to handle this is that we'd love for you to think about maybe a quick, kind of three-to-five-minute max response to this to set the stage. That would allow us to dig deeper on the areas of particular interest, but the state of the union that Sam just outlined would be an area we would welcome any early thoughts on just to kind of get a sense of what's happening on the ground in your experiences. We know that it's a bit of an audible, but your testimony was so thorough in how you described some of these case studies. We thought it might be a better way to engage to get started. I'm happy to take any volunteers who'd like to go first. You're welcome, either Tim or Garland, in combo, to give us a perspective on how the on-line enrollment process is happening today, if at all.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
Yes. We've been working with two of our big clients, California and New York, in setting up a vision and moving—

Sam Karp – California HealthCare Foundation – Chief Program Officer
You might have to speak directly into the microphone so people on the phone can hear. Thank you.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
We've been working with two of our clients in New York and California to set a vision for how they want to move forward in this digital era. Both clients we've helped implement different ways for clients to enroll for benefits for the programs. Initially they both have started with a call center version or a phone inquiry. We've got those up and running and both are slated for the next six months to implement an on-line application to allow people to apply for benefits on-line directly, without having to go into an office. We've actually had some discussions on what's next after on-line, because a lot of these people, who are going to be applying for benefits, they're Twittering, they're using PDAs and that stuff, so we have to keep the vision going forward-looking at how we can better serve that clientele.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Just to make sure I heard, you offer an enrollment system in Los Angeles County and the state of New York—

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
Yes.

Sam Karp – California HealthCare Foundation – Chief Program Officer
And neither of those jurisdictions at present offer on-line access to enrollment.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
California is slated for October. We're going to be implementing the on-line registration for services for Medicaid, for SNAP and CalWIN—

Garland Kemper – Unisys – Health & Human Services Program Director
Yes and CalWORKs and—

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
Yes. Then in May we're slated for rolling out the one in New York.

Garland Kemper – Unisys – Health & Human Services Program Director
Yes and just to be clear with the Department of Health in New York, the system that we're implementing builds on a Web-based solution that was built on a legacy eligibility application. The state of New York, for those of you who may not be aware, runs separate welfare management systems in the city as well as up state and asked to have a common front end for Medicaid eligibility only to be developed. They've been running that for a while. That's a product called EVS. They are now in the process and they've hired a vendor to administer a call center for Medicaid enrollment and state funded programs, as well as CHIP. They're rolling CHIP in eventually and that's what's going live in April. So the system will actually be used by call center staff, not consumers. Consumers will call into the call center. There will be an IVR component. There are a number of Medicaid programs for which redetermination doesn't require paper documentation. There is a whole document management system component included with it so that people can mail in or bring in documentation, but managing a paper in the verification process continues to be one of those things that I think states are really struggling with.

Sam Karp – California HealthCare Foundation – Chief Program Officer
We're going to definitely hit on that in a moment. Anyone else want to comment on the state-of-the-art today, what's happening on the ground? Dave, I'm looking at you next.

David McCurley – Accenture – Global Managing Director, Human Services
This is Dave McCurley. I would describe we're seeing across the globe the widespread use of on-line enrollment, on-line applications for benefits on all kinds, all manner of human services systems, whether it's eligibility systems, child support, pension systems, social security systems, those kinds of things. Lots of folks are turning to on-line enrollment, application, on-line query about the status of your case, the status of your benefits, etc. largely as a move to move a lot of that work out of the office, as well as just make the information more readily available to folks. Many of our solutions are also call center enabled as well.

A couple of key things that I would say is you asked the question about what's the consumer reaction, how are those things going. I would say that one is the conclusion that we've been able to draw from some of the early experiments in this is when you have a meaningful on-line presence for families to interact with the agencies that are supporting the benefits you get a higher degree of engagement with those families involved in keeping their case information current. They really feel like they're involved in the process and so you get better support from the families when we need to know their child support and they've got a new job or they've got new health insurance that they need to cover folks or they've moved. You pick it, the kinds of information that we need to get from the families, we get a lot more of that when those things work meaningfully.

Call centers: Some of the initial feedback, there is a lot of confusion from the citizens about exactly which program. We manage them stovepipe-by-stovepipe, right? We've talked about this for a long time. Family problems don't occur one federal program at a time despite our best intent to make them occur that way. So when folks call in they don't understand why I can't find out information about my CHIP application the same place that I'm talking to somebody about TANF or I'm talking to somebody about food stamps, because from their perspective they're calling the state and the state ought to know the answer to that question, so one of the key things about interoperability that this committee is considering, I think, is very admirable in trying to connect more of those dots.

The recommendation I would have as we look at that is those folks, they see that universe even bigger than perhaps we're even thinking about it, so thinking about including labor, unemployment, thinking about including things like housing and some of the other kinds of federal benefit programs in the universe of things that you might consider, making sure that the standards for your charge was very

clearly about health and human services programs, making the standards such that they can incorporate a wider array. I mean that's coming.

Aneesh Chopra – White House – CTO
Dave, can you say just a little bit about Accenture's experience on the ground in offering on-line—?

David McCurley – Accenture – Global Managing Director, Human Services
I mean probably the most significant we have is the work that we've done in the city of New York, our HHS-Connect, which offers on-line application for 35 different social programs across 15 different agencies and 8 different federal funding streams. So from the consumer's perspective they can log in and they can determine whether they're eligible for any of those programs, understand the benefits that are available to them across that wide array through one portal that citizens can use. That's probably the most significant, but we've got them in multiple states.

Aneesh Chopra – White House – CTO
Is that a screening only program or can the applications be submitted following that screening?

David McCurley – Accenture – Global Managing Director, Human Services
It's screening for everything, application for some things. Some of the programs don't quite have an on-line application process available to them at this point, but most of those are under construction, but a variety of them do have on-line application available today.

Aneesh Chopra – White House – CTO
That's helpful. Thank you.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Yes. We'd love to keep the early thinking before we dive deeper on some of these if you don't mind. Does anyone else wish to share about what's happening? John, please?

John Petraborg – HP – Welfare and Benefits Expert
John Petraborg from HP. I would agree that in terms of use and utilization on-line capabilities and features are gaining wide acceptance. We've recently implemented with the state of Oklahoma an on-line eligibility for Medicaid systems. It's been up for two months and 50% of the applications are coming in on-line within two months.

The issues that I see are more around integrating those front-end steps into the back-end processes. So conducting screening is a relatively simple step. Completing an application is the next step, but actually having that data flow into a process in the back-end is the next challenge that –

Sam Karp – California HealthCare Foundation – Chief Program Officer
John, to clarify, is that where you are today in Oklahoma or is it like behind the curtain we're sort of hand coding or whatever you're doing?

John Petraborg – HP – Welfare and Benefits Expert
No. In fact, I mean I can speak more about Oklahoma, but it's really designed to have a straight-through process with minimal agent handling, so the data goes directly into a rules engine connected to the automated verification sources and the cases are reviewed then only on an exception basis, but that's not the state of play in most situations.

Sam Karp – California HealthCare Foundation – Chief Program Officer
We're going to dive deep on all of these case studies. This is terrific. Anyone else wish to describe the current state-of-the-art?

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services

This is Steve Middlekauff at HP. I think the only thing I would add, and it's related to the context of what you teed up with healthcare reform and just where we are as an economy in general; that the demographics of who is applying for assistance has changed dramatically. So this whole concept of self-services, where people have in other part of their lives, who now find themselves in need of services, are not understanding—to the point already made—about why I cannot get these services in an on-line capable way. So I think that has really, in the last two years from what we've seen where it might have been more of an outreach, kind of a novel idea, has become more of a business imperative; that there are people who are looking. They see in other part of their life banking, etc. to say I should be able to come in and not have to go to a brick and mortar building to look at services that I might be eligible for, apply for those services, etc. So I do think healthcare reform takes that another step further, but the demographics of who is applying for services has changed and so we've really looked at it as a model of full service, assisted service, and self-service and making sure that whatever works for you as an individual, you can find the right level of service and support that you're looking for and so be mindful about how we design these solutions to say we need to keep all three of those in play at all times.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Arvinder, we'll go to you.

Garland Kemper – Unisys – Health & Human Services Program Director
I want to add something to that, but you go ahead, Arvinder.

Arvinder Singh – CNSI – SVP Health & Human Services
I'm coming here for the first time and my organization, CNSI, hasn't done an on-line system, so we're coming from a different perspective, maybe a fresh perspective in this whole space. Sam brought up a very good point initially and I was surprised that you talk about consumer focused systems and we don't have representation from consumers sitting in this audience trying to set up recommendations. We talk about creating an experience where users or consumers or beneficiaries or potential enrollees are going to potentially be asked to do a self-service model, but there is not enough attempt to basically understand their experience as to how it goes about it. That fundamentally, from a consumer trying to get the shift where you are still in your old, paper-based systems moving into a self-service ... express the right aspects that the application has to go from data entry all of the way through full ... we have not engaged the consumer as to what that experience is.

Sam mentioned initially the demographics of 70% to 80% potential enrollees that we expect to come on-line have expressed interest in the ability to be able to go through an application process in an on-line model. I'm not sure where that demographic data is coming from, because that is something that typically the beneficiary population that is going to go into this may not be exactly into that high 70% to 80%. So that's something we'd love to see; where that data is coming from and what's the basis for that assertion, if you will.

You have to further fine grain that data to be able to put the right channel for the right consumer. The very aspect that we always try to go out is from complete paper based all of the way to an on-line self-service, self ... application it has to be iterations through that process and as was mentioned by David, you have to start with exposing certain aspects of the information where they can obtain that information, they can check statuses before you would expect them to fully enroll themselves in an on-line enrollment process. So I think that's the iterations that things have to go through to make that natural progression from being a paper based system all of the way to being a complete, self-service based infrastructure, if you will.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Garland, you had an add-on?

Garland Kemper – Unisys – Health & Human Services Program Director

It actually follows on Arvinder's point quite cleanly. You actually have within your committee an example of a third model, which is not completely paper-based or self-service, but the product that Community Catalyst Real Benefits offered years ago was enabling non-profit providers emergency rooms to facilitate applications on-line and so you're removing it from the local welfare office, for lack of a better term. You're not forcing people to manage their eligibility themselves, but you're providing a whole community of additional resources to foster these new enrollments.

Sam Karp – California HealthCare Foundation – Chief Program Officer
We didn't hear from Jim and I don't want to put you on the spot, but you're welcome to provide some ground setting perspectives on the basic question of how the current world looks today.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
So this is Jim Tyrrell from Red Hat. I'm aware of one state; I can't name them at this point; they are a customer of ours, but they have gone on-line with a disability package that they have leveraged. They've been in that place for about two years now. That state saw, as the whole world has seen, a great number of increase in the number of people asking for assistance. They've talked about a 25% increase in the number of people they're serving. With that they were able to basically keep their staffing levels at the same point, but they've created on on-line portal for people to get at all of these benefits. As time goes on, as some of the people here have mentioned, they've expanded out to other state agencies to include other parts of that total holistic view of what it is these citizens are seeking as they seek aide from the state and the other organizations and programs that are available to them.

The other thing that I've seen industry wide and this isn't really just limited to healthcare is that we've seen, as Red Hat, as customers, organizations, enterprises try to change the way in which rules are incorporated in their business, the ways of putting those into application code, into databases, hard coded into the programs that they're delivering don't allow for the agility that the legislator, at least in your cases, are mandating changes in the ways in which we're delivering these programs. That, to me, has probably at least historically been the biggest problem to the changes that Red Hat has been a witness to, at least I've personally been a witness to for the four years I've been working with Red Hat.

Aneesh Chopra – White House – CTO
Well, we want to dig into each and every one of these areas and I appreciate the fact that you gave us a little bit. I know we had originally said give us the full Monty of your seven-minute piece, but having read all of the material, it was more productive to get this group to dialogue with you. We're going to spend the next couple of hours together and I think we want to dig into the mechanics of some of the ideas you've outlined and some of the experiences you've had. What I'd like to do is Sam and I thought it would be useful if we would open it up to our colleagues first to ensure, as we dig into these categories, anyone who'd like to begin with certain areas, we want to make sure that they have the chance to do so and based on that we might dig into a number of these areas.

Let me just say at the outset you all touched on some of the key features of the report. We're not going to repeat the report. Sam has already summarized it already, but the use of third parties in our framework was a critical question; the understanding of how data elements could move all of the way through to the back-end systems to make certain of what works and what doesn't; your last point, Jim, about separating the business rules in a way from the core application logic and how to do that in a way that would allow for some transparency all are critical, critical themes we introduced into the document. Frankly, it's why we invited you all to be here today, so that we could dive into these themes a bit more.

I want to be respectful of my peers and colleagues. Was there anyone that wants to take the first shot on areas of interest? We have, as I said earlier, these five key themes and I'd love to have Sallie maybe get started and then we can dive in.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Just to be clear, Aneesh, we are going to go through each of the five—

Aneesh Chopra – White House – CTO
Yes—

Sam Karp – California HealthCare Foundation – Chief Program Officer
So—

Aneesh Chopra – White House – CTO
Framing themes—

Sam Karp – California HealthCare Foundation – Chief Program Officer
Framing ... yes.

Aneesh Chopra – White House – CTO
Parenthetical framing first. Yes, Sallie?

Sallie Milam – State of West Virginia – Chief Privacy Officer
It was exciting to hear about states or other jurisdictions that are able to effectively work together to bring to, at one point, for a consumer to have access to all of the different programs, so I'm wondering what sort of organizational, I guess, lack of barriers or what was in place, what sorts of channels of communication, what sorts of planning and just at a high level, what enabled that to happen? Because so many times you see with these different organizations, the different leadership, different funding streams and they find themselves unable to get that sort of situation to the consumer.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
One thing I've noticed is that when states are implementing these program initiatives they go across programs; to be successful the one common thing I see is an executive up top is really driving the vision. He understands the benefits of it and he's really getting different departments, different agencies to work together, pull their talent together to achieve this vision. So it's really critical to have the people at the top really pushing it and helping those individuals reach their goal.

David McCurley – Accenture – Global Managing Director, Human Services
Sallie, I would underscore that as well. I think the model that I talked about a minute ago in New York City, certainly Mayor Bloomberg came out and said every New Yorker is going to get what they need from us and we're going to make it easy to happen. Then Deputy Mayor Gibbs, his Human Services lead, drove that into the program. That simple statement of saying we're going to make it easy for people to get what they need was they used it to break ties every time there was an argument or a discussion about barriers and those kinds of things.

One of the things I know we'll talk about as we get to each of these various areas, but the policy and legal work to allow the communications was every bit as complicated and daunting as the technology work—

M
Oh, good Lord, yes.

David McCurley – Accenture – Global Managing Director, Human Services
In once case, at one point in time, the legal team on the HHS-Connect project in New York was bigger than the application design team. So the key thing was, again, the mantra from the ... leadership was don't tell me about all of the reasons why it can't happen. Go find a way to make it happen, because there's got to be a way. So they went at it with a completely different mindset and depending on how you read the law you can find what you're looking for and so they were able to find ways, but again, it's heavy lifting and it takes that focus as you drive through it.

Aneesh Chopra – White House – CTO

That's great. John?

John Petraborg – HP – Welfare and Benefits Expert
I would just add that in an era where healthcare reform is going to dominate the agenda going forward, being mindful of the need for horizontal integration eventually is very important in responding to that concern and if you think a little bit about the history of on-line enrollment so far, the food stamp agency actually drove a lot of the early implementation of that because they had money available and they had a model that they put out there and so many of these started as food stamp or SNAP applications that were then expanded to include additional programs. As we go forward with healthcare reform I think a similar model where we drive the one thing to get it done, but are mindful of the potential to expand it horizontally.

Aneesh Chopra – White House – CTO
Other leadership questions about how to get this thing through? That 50/50 was good. Deborah?

Deborah Bachrach – Bachrach Health Strategies – President
I was New York's Medicaid Director ... until January, so this is my perspective and I want to make two comments and they come from my experience in New York. First is while horizontal integration ultimately is desirable there are many states, New York being one of them, that our first priority must be vertical integrated, the kind of vertical integration that ... most likely to be ... OCIIO leaders ... just came out and I think ... perspective in our standards.

Having said that, I'd like to go back in the New York example that Unisys brought up, because the point I would want to make and I appreciate your reaction is to get to what you described took two years and what we now are about to put into place in New York, we're about to test in one small county, right? One of the tiniest counties in New York state is about to test a system that does not have an application process yet. It is only for renewal. It is not consumer facing and it is built on top of a legacy; and you alluded to this; two legacy eligibility systems. So what it is is tiny ... solid; it two-plus years to get there. It's just being tested in one tiny county. It's built off of a system that's ultimately not functional. Is that an overstatement?

Aneesh Chopra – White House – CTO
Breathe, Deborah, breathe. I love it.

Garland Kemper – Unisys – Health & Human Services Program Director
Well, we have nowhere to go but up. I would disagree with the ultimately it's being built on a system that's not functional. You don't want to throw out the baby with the bathwater. There are parts of the WMS application that work and what I think that we are finding with the new efforts around Medicaid eligibility and the new front-end and the new rules engine that's being built on it is that we're able to make the most of those legacy investments and keep the data model and really provide different channels of access. The renewal process that the call center will work on, the goal is one of the tenants of this committee is to think big, but start small. That's exactly what New York state is doing.

Yes, initially they're starting with a small county. They are rolling this out for renewals only right now with the vision and it's being developed with the vision for applications and for on-line applications as well, but the reality is Medicaid renewals are easier. There is a lot of self attestation, the whole issue of documentation and verification is minimized, so claim the victories where you can. That's the message from New York. I think that really building on investments that you've made, figuring out what works and building on that to get the benefit early and incrementally is really the lesson from New York.

Deborah Bachrach – Bachrach Health Strategies – President
I don't disagree with what you've said and we developed that vision, that incremental approach pre-federal health reform. I guess my question is can we build on that existing system? I've never anyone say anything good about WMS before ... oh, my God. So the question though is if this took us two years

to do that and we did it with all of the right goals, how do you do it in New York or any other state that is saddled with a less than perfect—you'd agree on that—system to get to like 2014, the level of vertical integration that's contemplated by this committee, by the OCIIO RFP. That's what overwhelms me when I think about the landscape and I know New York is not unique in that regard.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Right. We're going to be diving that in a very serious way, Deborah. What I'd like to do, Jim, is a couple of more framing questions and then we'll dive into each of the separate components.

Oren Michels – Mashery – CEO
This is Oren Michels on the phone. May I ask a question?

Sam Karp – California HealthCare Foundation – Chief Program Officer
Of course you can. Let me get Jim first and we'll get you next and then we'll tee up Jessica, who had her sign up.

Jessica Shahin – USDA – Associate Administrator, Food Stamp Program
We're moving on. I'll talk to Sallie about New York and leadership off-line.

Aneesh Chopra – White House – CTO
All kinds of excitement today. All right. Jim?

Jim Borland – SSA – Special Advisor for Health IT, Office of the Commissioner
Let me share kind of an analogous situation that we faced about seven years ago at Social Security. You talked about 40 million newly eligible and we faced the exact same situation five years ago where we had 70 million baby boomers, who were about to retire, who had entered their disability prime years and we had no excess bricks-and-mortar capacity. I think it's very analogous to the situation.

We did have executive buy-in. We had executive leadership from our new commissioner. We took a completely consumer focused approach and we looked to the on-line service delivery channel, because essentially our call center capacity was saturated, our field-office capacity; and we have 1,250 field offices across the country; was saturated. Okay?

The consumer focus was around usable, on-line enrollment applications that processed the work to the greatest extent possible. We, like all of you, have back-end legacy systems that we've been operating for over 25 years. They are the bread and butter and they are the thing that ensures that our 50 million beneficiaries get their check every month. But that consumer focus, that executive leadership, that business exigency really drove us to develop application that not only we thought would be successful, that had to be successful.

Where we stand today: Over 40% of our retirement applications, our applications for retirement benefits are completed on-line. Over 35% of our disability benefit applications are completed on-line and the on-line service channel has absorbed 75% of the growth in our applications over the last five years. It's not a question of if or whether; it's a question of how and when, especially how soon, because the changing demographic that, Steve, I believe you talked about, the expectations are different. They don't want to call a call center. They don't want to visit a government service center. They want to go on-line and they want to complete their actions to the greatest extent possible on-line. The process can be done and there are building blocks in place. It's a question of how we use standards to put them together so that every consumer has the same positive experience and word of mouth is what's going to make this successful or unsuccessful.

Aneesh Chopra – White House – CTO
That's helpful framing, Jim. Paul, you had a hand up—

Oren Michels – Mashery – CEO
Oren.

Aneesh Chopra – White House – CTO
All right. Oren. Are you with us, Oren?

Oren Michels – Mashery – CEO
Yes, this is fascinating. I'll admit that at the startup I was a little bit terrified of some of the company names that I was hearing on the ... but I really enjoyed hearing about the Oklahoma example, because it really framed, I think, a lot of what we've been talking about in this group, which is that there are really two different problems. One is in hooking into the back-end and making things happen. The other is in creating a really great and useful set of experiences for the consumers.

The concept that one of the panelists mentioned was should we be talking to consumers about what sort of interfaces they want and I think we have to be a little careful with that because the folks at Facebook didn't go and ask consumers if they wanted a social network. They built one and it got things going. Nobody went out and said, "Do you really want a service where you can post 140-character blog snippets?"

But what we do need to see, I think especially from the companies like the ones that are presenting here that have all of this experience is that the concept of opening up back-end APIs that companies and a lot of new innovative people, as well as the existing players can use to create different user interfaces I think is a way we need to look at this process. What I'm wondering is in the various programs you guys have talked about it sounds like a company like Accenture or Unisys or Red Hat came and said, "Okay, we're going to go from end-to-end and we're going to create this whole experience and come in and solve the problem and give you "on-line enrollment.""

What I'm wondering is if it's possible, sort of based on the charge that we have for the Enrollment Workgroup, if you think in working with these various agencies that it's possible to split that up and to say there are two parts. One is how do we get data and services available to be building blocks that a lot of innovation can happen on the front-end and essentially look at this problem as let's solve the back-end problem first and realize that by the time we do that in three years there will be a bunch of new devices, a bunch of new OSes, a bunch of new paradigms and user interfaces, a lot of evolution that we won't see. What I don't want to say is okay we're going to start today and create in three years the UI that we would have wanted two years ago.

M
A brief word by the panelists to translate—I think Oren said it well—have any of you with experience in the notion of bifurcating the development of these systems such that third parties could engage in the development of the work through APIs? I don't know if any of you had a plan for that or discussion. Garland?

Garland Kemper – Unisys – Health & Human Services Program Director
Well, it's not directly within health and human services, but one of the fundamental components of NIEM is that exchanges are name conforming, not systems and so one of the things that this committee has done by adopting the NIEM standards is allowed agencies to continue to develop the functionality and the technologies to support their specific need and functional need and, in essence, their user interface needs and provide a standard by which they can exchange information and have access to a greater pool of information from companion systems in their jurisdiction. So there are a lot of lessons learned specifically to that point fixing the back-end from the justice and public safety arena in the NIEM space.

David McCurley – Accenture – Global Managing Director, Human Services
I'd say there's also examples out of the HIPAA transaction set implementing HIPAA transactions. You think about where we went to when that went in place. Now you're open to all kinds of innovation; folks

who can put together packages for clinicians, who can submit claims transactions in a HIPAA format. They can dial in and connect up through APIs into electronic submission, which speeds the process and goes all of the way through to the back-end as we work to make those things compliant. So I think, again, one of the things that I'm pleased about where you guys are going is setting those standards and saying these are what we're looking to get done and this is the way we want that data exchanged. Our history shows that when we do that well that innovation follows and it does allow folks to go a variety of different ways and get to the same answer.

Aneesh Chopra – White House – CTO
All right. Paul, I'm sorry; one of you had a comment over here to the left. Did I miss it? Do you want to go, Ronan, and then we'll go to Paul? I just want to make sure I'm not out of order. Ronan. Paul. Then we'll get to the questions. Go ahead.

Ronan Rooney – Curam Software – CTO & Cofounder
I guess one of the questions I had, I guess for everybody, was around the scope of watch you say is a consumer centric model and where do you think of the narrowness and the breadth of that scope and I guess if you can talk to it in the context of the challenge of meeting the deadline for 2014, because I think what we're seeing on the committee and certainly on the feedback we've had in a lot of situations is that the direct kind of ... together are conflict between that base and at the same time, having a broad scope around a consumer centric model to enable that innovation that we talked about. I guess a sub-question would be the role of different technology components in solving those issues or that result in that conflict versus business process challenges that might be involved in resolving those challenges.

Aneesh Chopra – White House – CTO
The high level reaction to the question of how to drive that model. Steve, you seemed to—

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
I think the concept of customer centric model is kind of back to some of the conversation we've already had about how to really drive some of this change. For that to be a mantra as we again continue to move forward, whether we're talking about healthcare reform or anything else and what does that truly mean in terms of how you make that happen at the state level, local jurisdictions, etc. Because I think sometimes the philosophical pool there is how are you building a front-end portal or whatever you want to call it to allow people to get access to this information, to actually apply for services, etc. and make that as easy and straight forward of a process as possible.

Then what happens on the other side of that equation is you have policy and regulations and data collection requirements and verification requirements that bog it down so much that then you're in this philosophical space where you say, well, if I really want to embrace self service am I really trying to push that burden completely on to the consumer to the point where they get so weighed down that they actually just don't want to go through this, right? I mean we've all probably experienced, whether you've gone for a loan or anything else, how many screens do you want to go through and how much do you want to go through before you just opt out? I'd rather just call somebody or I'd rather just go in.

So I think that there is a mindset about what do we really mean by customer centric. How do we really make that a viable, enticing way for people to come in and get services, apply for benefits and then how do you drive that through whether you're talking vertical or horizontal, how do you drive that through to say what that really means is maybe simplifying everything we're about to talk about, simplifying the rules, simplifying the data requirement elements, challenging verifications, how much of this has to truly be documentation. Can we just go get that information? Because we already know it somewhere. So I think that can be a mantra of really defining what do we mean by the customer centric experience and then trying to let that help drive the types of change or challenge old things that are in place. Electronic signature might be an example of something that for a long time people felt face-to-face interviews and handwritten signatures, but technology and some of these things help drive the challenge of that type of a long-standing requirement.

Aneesh Chopra – White House – CTO
Steve, that response by the way, with all due respect, David, I think that is a perfect segue into the deep dives we're going to get into now, because if you don't mind, to my colleagues, if you could just wait for the deep dives.

Sam, would you like to transition us to the deep dives?

Sam Karp – California HealthCare Foundation – Chief Program Officer
Yes. Let me just try to do a 50-cent summary of what we've heard in this first session, which I think we all would agree has been really valuable. The first thing I heard—I think it was Dave who said that one of the experiences with families, who are actually using on-line systems is that they're more engaged, more engaged in keeping their information current. We've seen that in clinical health as well. Individuals, families that are more engaged with access to their health information, access to their physician are more engaged in their care, so it's consistent with that. The second we heard is the importance; and we've talked about it several times; of full integration of this data into the business process. There are a whole variety of ways to do it and I think Oren's suggestion about third parties being able to help and bifurcate that as well.

We've heard the importance of consumer focus. We're going to spend a lot of time on that. We've heard the importance from you all, from your perspective, of having executive leadership on the ground in the states or in the counties that make this possible. We have again heard of the important role of community based organizations assisting individuals and families with this cumbersome process. We've also heard about the heavy lifting that's required on the policy side that's often heavier than it is on the requirements on the technology side. We all want to see horizontal organization and implementation, but we are focused on the time frame of getting this done and so vertical, as Deborah I think insists, is a critical component.

What to do with our legacy assets, another key challenge. Can we build fast enough on the legacy assets or do we need to build independently as states adopt exchanges? Nobody wants to rip and replace, but we've got to get there on time; the value of open APIs. Then this last point about simplification; we've got to simplify the rules, simplify the verification.

Let me just finish this quick summary with testimony that we heard on the first day of the workgroup from the National Academy of State Health Policy, who talked to us about the gap that they saw. They said that less than half of the states currently offer on-line applications, so we have a long way to go. I know from many of the systems that you all operate that in many instances, while it's called an on-line application it's delivering information to a case worker, who prints the form and then re-enters the data very much like when I was at the doctor last week and I had my temperature taken with an electric, digital thermometer and then the nurse actually had to type into the system what the readings were. We know from experience that applications, even though they're submitted electronically, are often incomplete, require a series of follow-up telephone calls, the Unisys example of Los Angeles County. When we do have an online system the first experience there is that consumers are supposed to drop off their documentation, as you state in your documents or mail them in, so we've got an awful long way to go and we only have a short period of time to do it, so thank you for this first session.

Aneesh Chopra – White House – CTO
Let's get to the sub-questions on the first topic, on core data elements. Now, Garland, you were very kind to tee up this section of the discussion. Was it you? I think someone highlighted the importance of NIEM. You did I think. What we'd love to do is just engage a little bit of the current state-of-the-art and be honest with us as to where we are. Are the data elements in today's enrollment systems encoded in a format that is, in a sense, an easy pathway to being in compliance? Where are we on the ability to execute on this particular recommendation? Anybody want to go first? I kind of leaned forward on you, Garland, since you brought it up, if you want to say a word.

Garland Kemper – Unisys – Health & Human Services Program Director
That's fine. We came prepared to talk specifically about the data element subject today—

Aneesh Chopra – White House – CTO
Please.

Garland Kemper – Unisys – Health & Human Services Program Director
So let me sort of kick it off. We welcome any and all input. My remarks are basically built on our experience working with the justice and public safety community and their integration of the NIEM standards across state and local government jurisdictions and public safety organizations. Justice and public safety agencies; I have a few prepared notes and so I'm going to refer to those; they have traditionally had a common set of goals and core principles for their exchanges and I think that the health and human services community can learn from that experience. They have included participating agencies should retain the right to design, operate and maintain systems to meet their own operational requirements.

I'm sorry. I've never had anybody say that they couldn't hear me.

They must be responsible for the maintenance of their data. It's important to remember with NIEM conforming exchanges you have the ability to connect widely disparate systems. The justice and public safety community has been very clear that agencies are responsible for their own technologies and their own functionality, but the exchanges are what need to conform and so your data elements can be captured the way you need them to be captured.

The second core principle is the investment in existing technology and systems should be maximized, again, building on the New York model. NIEM provides extensibility to allow for efficient and seamless coordination of information sharing beyond that addressed by the standards. So if NIEM doesn't include a data-element standard specific to your exchange need, it has a prescribed set of extensibility procedures that you can follow to build for your need and make the most of your legacy investment.

Number three: Access to information across the various systems and platforms should be transparent to the user. One of the things that has emerged in the justice and public safety marketplace around NIEM is the utilization of frameworks. Unisys has one. We think it's a good one. Other vendors have them as well. It provides a common interface for developers, as well as end users of the product. A person in a police department that is utilizing a NIEM exchange with a court system, that police officer is actually getting their information from their police department application. They're not seeing the user interface from the court system. They're just seeing data from that court system. So it's blind to them as a user and by adhering to the standards based data exchanges you can utilize your own information structures.

Number four: Information that's already been captured electronically should not be rekeyed downstream. One of the most wonderful things about efficient exchanges is it allows systems to capture data once at the originating point and provide it to all appropriate and authorized systems. The specific exchange can make those determinations. The critical component here is appropriate and authorized. NIEM makes no comment about how you make that determination. That's for the jurisdictions.

Number five: Establishing and confirming the positive identity of individuals is crucial. So we've all experienced; I come from Massachusetts and worked for the eligibility agency in Massachusetts for ten years and forever have had the central client index debate. Who owns the data? How do you identify? I am blessed with a fairly unique name and so there aren't that many Garland Kempers. There is another one and he's an 80-year-old man, who lives in California. But how you uniquely identify a person is critical to the appropriate exchange of information, whether you're talking justice and public safety or whether you're talking health and human services or any of the technologies we're talking about. So access to a broader range of demographic information than an exchange can provide you and adhering

to standards as you develop and store this information facilitates that enormously. It is still a complex process, but encouraging people to exchange information based on pre-defined standards facilitates that.

So there are two lessons really that we've learned from our experience in the justice and public safety world implementing NIEM standards that I think I want you to take away here. We talked about both of them. The idea of leadership; one of our key implementations was working with the state of Texas. We actually implemented 28 IEPDs, Information Exchange Package Documentation, for the state of Texas justice agencies. Until there was a policy written and implemented and a regulation passed that required new systems to adhere to the NIEM standards it was a voluntary thing and all of the work could be for naught. So really having that leadership say this is the right thing to do and you need to do it and I think that the NPRM that's out around conformance for Medicaid eligibility really will go very far in that pact.

The other lesson that we've really learned and I saw it on your preliminary remarks, one of your slides, one of the tenants of the NIEM Standards Committee is; and they state it over and over; over include/under constrain. Just because a data element is categorized as high complexity doesn't mean you shouldn't tackle it. You should provide a framework and a preliminary definition for that data element and allow specific exchanges to figure out how they're going to provide it. So don't define it to an Nth degree and don't require the end systems and the exchanging systems to define it on their technologies a specific way. But for an exchange come up with a definition for marital status. Come up with a definition for income.

Let the specific exchanges figure out how to do that. So it will eliminate some of the burden in the future as you further define, beyond your ten initial elements. NIEM, because it's so flexible and so extendible, has had some preliminary issues with one jurisdiction extending a specific set of data elements that another jurisdiction is extending a different way. They've eliminated some of that by having a central repository for IEPDs, but they've really identified that if they can just include more data elements in the underlying data models and the reference models to begin with they've eliminated some of that redundancy and conflicting definition, so over include/under constrain and really, continue to provide the leadership for the definition and the following of the NIEM standards I think is really the message for the day.

Aneesh Chopra – White House – CTO
We've got just two questions on this and I'm happy to turn it to others and our colleagues on this, but two questions that we're grappling with is, number one, how hard would it be, given the public safety experience, for legacy infrastructure to adjust the data in a manner that would allow them to be NIEM compliant? That's just sort of an on-the-ground reality, if you will. What happened there and how might that relate to this world?

Then, I guess parenthetically; the answer I'm assuming is no; but to the extent that you've actually seen people not maybe necessarily NIEM itself, but a model of a standards based approach to data exchange in many of these other examples where information is floating between programs I'm just curious to the extent that you've seen such examples what ....

Garland Kemper – Unisys – Health & Human Services Program Director
In health and human services?

Aneesh Chopra – White House – CTO
On the health side.

Garland Kemper – Unisys – Health & Human Services Program Director
Yes. Let me answer the latter one first, because that's an easy one. No. Yes. The reality is until HIPAA there were very few standards around; now, I'm speaking mostly from the eligibility side and my friends from CNSI and other may want to talk more about some of the enrollments; but around the eligibility side there have been few standards based exchanges occurring. Some of the information on the child welfare

side, some of the information that's transmitted up through ... and ..., that has to be in a specific format and some of the federal reporting and the like, but really it's not very standards based and it hasn't been.

Now, to transfer it to a standards based mechanism—

Aneesh Chopra – White House – CTO
Right.

Garland Kemper – Unisys – Health & Human Services Program Director
One of the benefits we've seen with NIEM is that because it's a national standard a lot of individual exchanges at the state and local level are already occurring via XML and so you can actually literally just apply an XML style sheet. I don't want to progress into technical, because I'll quickly get into an area I have no business speaking about whatsoever, but an XML style sheet is a simple alternative. So for those exchanges that are already XML it's not very difficult.

Aneesh Chopra – White House – CTO
Just one more ... on this concept: Did the legacy public safety applications simply dump data into a translator and then the translator effectively managed the exchange for them—

Garland Kemper – Unisys – Health & Human Services Program Director
Yes, but—

Aneesh Chopra – White House – CTO
I'm assuming at a marginal cost that was lower than what would otherwise have been retro fitting? Just a little bit of meat there.

Garland Kemper – Unisys – Health & Human Services Program Director
The marketplace was developed, and again, as I said, Unisys certainly provides one. The framework, the hub and spoke translator service around justice and public safety, our ISM framework for instance, is exactly that. It provides those translation services into NIEM conforming exchanges and enables exchanges that already existed to now be NIEM conforming or new exchanges to occur. By utilizing the framework then you can access your data, push, pull, query, any mechanism you so choose, because you've got that hub and spoke.

Aneesh Chopra – White House – CTO
We want to get other perspectives on this issue. Maybe, Henry, do you want to raise a question and then we can go to others to respond?

Henry Chao – CMS – CTO
Can you talk a little bit about how you use NIEM or in either case, in a NIEM environment, like in criminal justice or in some of your experiences in dealing with legacy systems how you enforce kind of this role based access at the data level?

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr
Not specific with NIEM, but just because it pre-dates it a bit, but again, in the New York example used a minute ago they identified the data, the role based sharing from all of the different agencies involved in terms of getting down to the core data elements they could share, parking stuff in a hub and spoke kind of translator deal and then using business rules to say it wasn't that they weren't capturing all of the data. It's just the business rules would say this is the filter that you're allowed to see out of the common data as I go from the drug and alcohol abuse tracking system to the prosecutors that are sharing information. There's a lot of security about how we share that information. There were always business rules they could change, they could adapt, but it didn't impact the fact that they were actually capturing all of the data and for going from the drug and alcohol abuse into the Medicaid system a ton more of it was able to be shared than it was depending on, so it was the combination of kind of this back end or common data

capture that was being done and pulling it out of and then, again, feeding into all of the legacy applications, but using business rules as a filter to help identify what gets in, what can be shared between the agencies based upon the roles that they have and the rules for the access to that data, so it was absolutely data driven based upon that agency's ability to view the data.

Henry Chao – CMS – CTO
My second question is how did you harmonize different security requirements and security frameworks? For instance, DoJ has to adopt ... and the state troopers may need to adopt something, a local piece. How do you manage kind of the security framework differences?

Aneesh Chopra – White House – CTO
If anyone here wants to comment about that just as, Garland, given you just said a few words about it I'm curious if you might know. Others who've got experience, Arvinder, you're welcome to—

Arvinder Singh – CNSI – SVP Health & Human Services
I'll just say my answer from a technical perspective you would basically be enforcing security policy at a business service level. If you have different frameworks, one being enforced from a business perspective, another agency or local jurisdiction having some other security guidelines you would basically have what we typically call security policies, which would translate into actual business rules that are being applied at the edges. That's typically the model to sort of try to harmonize different entities trying to enforce different sets of policies and frameworks around the security aspect.

I'll take a step back and again, excuse me for being slightly cynical, in the HIPAA law, as somebody mentioned, when HIPAA came about I think people said it's going to standardize data exchanges between the payer roles and so on and so forth. What it resulted in at the end of the day, at least in the Medicaid roles of the CNSI experience ... created 52 versions of HIPAA transactions with all of their companion guides and all of their ... to variations, if you will. Even in today's world, as it stands today, if you are going to exchange between two payers you have to basically go through another specific version of a companion guide or a specific version of information translation.

The principle of standardization is phenomenally good, but when you get into an actual implementation experience—that's where I come from—from the guiding principle that we need to standardize when you actually get into implementation the reality is quite dramatically different. That's one of the reasons from a technology perspective there's significant emphasis on when you talk about data sharing, the semantics of data needs to be carried along with it. A pure XML by itself has little to no meaning. It's just another way of representing a flagged file in a more XMLized way, whatever you want to call it. But until this you're not carrying the semantics and honoring the semantics of the data elements your data sharing will still remain as a guiding principle, which is good to have on paper, but when you get into an implementation you run into practical challenges and hence, your implementations and communications across the board fundamentally struggle.

The other aspect that was mentioned, which is fundamental, which will go into privacy and security later on, who owns this data? The data ownership aspect, which is fundamental to driving your privacy and security, does the agency own it? Somebody mentioned the consumer centered role. I think when we talk about consumer centric ... just the on-line experience, but the consumer centered roll primarily begs the question who owns this data. If the consumer is owning the data and that's how we define data ownership, the privacy, the security, the whole consumer driven role would be a different space altogether. We, as system vendor implementations, would have to look at it very fundamentally different. I mean that's something that remains unanswered. Someone even asked the question about consumer centric. We should not narrow ourselves just for the on-line experience, which is basically just developing another tool, but answer the fundamental question who is owning that data, because that ... fundamentally ... the overall business process and the overall user experience.

Henry Chao – CMS – CTO
... reaction I'm going to ask ....

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
A few comments and I'll jump on his right away was who owns the data, but I would ask who owns the implementation. As I look at what you're calling the core data elements and as I listen to the first lady down there at the end talking about this all I really heard was great, now we get to do this 50 times times the number of counties that are in the nation. I'm not sure that an XML standard only approach is enough of a recommendation that needs to come out of an effort like this to save the cost of the taxpayers across the nation. They're ultimately funding and owning the implementations that are going to be delivered by industry.

As Red Hat is an Open Source provider I'm reminded of a story our CEO told to the media soon after he joined. He came from Delta Airlines and he mentioned the fact that their IT budget was larger at that point in time than Red Hat's revenues times every airline that's in the world, really. So I challenge this audience really or this committee to look at what does it mean to really share these implementations, come up with Ronan's comment earlier of UI interfaces. We don't need to have hundreds and possibly thousands of people designing these end user systems. We really need to come together to do much bigger, looking at the hard problems. We can't just ignore the fact that all we're really doing is defining a data standard, which doesn't deal with all of the human end users of these systems and what do we need to do there.

Aneesh Chopra – White House – CTO
We're going to definitely engage in that. Let me do Lynn, Cris and Bryan, in that order.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
Over the last year we've implemented a NIEM ... and IEPD in northern Virginia that allows the ambulance systems to request resources from one another. From that experience I have learned it's not just about the data .... NIEM itself is about the categories of data element by a domain of business, but what grew up along side of me and was the ... in which they decomposed the business processes in the public safety arena into manageable steps of messaging. There was the records message set. There was the Amber Alert, a number of those different things. Arvinder, it's your initial comment about involving end users in this. I do think it's an area we still need to work on. How do we do that? My question to all of you is you have implemented these things. Did you go through the process of documenting their ..., processes and then a to be processed? Because what you're doing is de-coupling those. The implementation of these new message sets should meet the needs of that end user and if they don't see what goes on in the middle to transform it and pull data out of the system, so if you've done that you've got the foundation for the message sets in the health and human services arena. Can you share if you actually have those documented?

Aneesh Chopra – White House – CTO
Anyone want to respond to that?

Arvinder Singh – CNSI – SVP Health & Human Services
Actually, you brought up a very significant point; that instead of talking about data we're talking about messages or messages coming out of business processes. I think that's the fundamental distinction that needs to be recognized. When we look at just data elements, the core data elements that are currently on the recommendations, those elements, how are they actually used in a business process? Those messages are the ones that should get recommended, because then they at least prevent one layer of hard coding or customization or independent implementations by different vendors, because if you standardize on messages and then you recommend the communication protocols you're going up the whole stack of interoperability. Data elements without semantics, without the context.

I mean one of the fundamental things that gets lost when we talk about any data element without the context, it basically defeats the purpose of interoperability. Interoperability does not exist in .... It always exists in a specific context and the context is defined through messages. The context is defined through business processes. You're absolutely right; the as is processes, in my little experience ... not involved today in the ... process, because ... documentation of the ... process ... experience. It doesn't start with the consumer experience. It doesn't stop with it. If it does not start with it whatever is currently captured reflects the case work or use case. It does not reflect the consumer use case.

M
I'm going to disagree a little bit, because I think that there's a lot of work that's been done to try to capture that from the consumer experience, at least in the last decade as more and more of these things are thinking about actually engaging citizens or families, whether it's on the health side of the human services side.

The other reality is I mean I think you're right; if you get to the business process and you can get to common business processes that's a terrific place. Having said that and having implemented it in a lot of different places, it is the path of most resistance from most of the folks that are doing this. So when you go to any state that's county operated and ask them to promote state wide business process it's not going to happen. You have a revolt in your hand and—

W
... New York.

M
Right. Exactly. New York. California. Pick it. So I think one of the things that you guys have done a great job on is putting out the use cases and saying we want you to be able to do this. How you do it; your business; you counties, you, this non-profit you, this municipal organization; you're the guys closest to your communities, to your people. You get to make the choice about what's the right thing for you to do, but we want you to be able to do this and we're going to give you data standards that support that use case. I think you get to some of the kind of deeper interoperability capabilities by going that route as opposed to trying to sort through and prescribe this is the business process that we're going to make everybody do for enrollment.

Arvinder Singh – CNSI – SVP Health & Human Services
The only clarification: It's not trying to reinforce the business process, because the business process would need to be very much localized, which is where the innovation would come along. The emphasis is basically to make sure the messages that are communicated between those business processes is what needs to be standardized. Business process is the scope for innovation and creativity and part of us, as vendors, to implement in a different way and facilitate that—

Sam Karp – California HealthCare Foundation – Chief Program Officer
We're going to shift to the next topic momentarily, but I'm going to ask if Cris and Bryan could each ask a question, one after the other, get one round of reactions and then we'll shift to the second topic.

Cris Ross – LabHub – CIO
My question is in response to the comments about the NIEM standard being helpful in terms of clarification, but not complete, not sufficient. So the question that I wanted to ask sometime today and I hope we can maybe come back to it is this committee didn't get to pick the charge and the scope of the work that's supposed to come after. There are charges both vertical and horizontal, right? To do that we picked up three things that were intended to help pull out of systems to make them work better; core data model, verification interfaces and business rules. My question is did we pick the right three things? Because we also heard things like messaging, user interface clarification, workflow and business process clarification, security models. There could have been other things. I'm really curious. Did we pick the

right three things? If we make recommendations only on those three are we on the right path? Finally, if you were to pick one of those, which would you prioritize?

Sam Karp – California HealthCare Foundation – Chief Program Officer
Great question. Before you answer it, let's get Bryan to raise his and maybe you can think through his thought provoking question and get there.

Bryan Sivak – Government of D.C. – Chief Information Officer
I have a whole bunch of comments, but I'll focus on one particular thing right now. Really, to what Jim was saying around doing those 50-some odd times times the number of counties, you know, this is not a unique problem to enrollment and eligibility healthcare reform. Nearly every system that every state, every local jurisdiction, every county implements is something that's been done somewhere else. It's something that has been really ... kind of noticed I think recently in a lot of different contexts, but the question I have is of the different systems that you guys have implemented in different states, when you go into a new state or a new county are you starting from scratch or do the later implementers get benefits from the fact that you have done it previously? Is there anything in your business models that actually encourages people to reuse and share some of this information? If not, how can we move to something like that? We have an RFP that's about to hit the street for pretty much exactly this in one agency here in D.C., but it strikes me that a lot of this work has already been done even to the point of developing the RFP that we spent a lot of time working on. So I'm not ashamed to beg, borrow and steal where necessary and so these are things that are important to me and I'm just curious if you guys see this and if not, how can we move towards something like that.

Sam Karp – California HealthCare Foundation – Chief Program Officer
These are two very thought provoking questions, a great way to wrap up this section. Does anyone want to go first? Let's go to Steve and Garland.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Okay. Yes. I'll see how this kind of fits from my perspective in terms of all of the conversation we've had and, Cris, the comment you made is about are these the right three things. I think as I look across the three elements that you brought up around data elements, verification, business rules, to me the tie that binds there is around the concepts of standardization and how you can get maximum benefit where you tie those three things together.

I think the notion, as already mentioned, standardization around data elements, intuitively I think most people get that and understand that. So yes, it's great if we all kind of call things the same thing and if we all agree on kind of the format and the layout, but I think if I talk just about data I think where I get personally concerned is the fact that people have a tendency to kind of want to proliferate data because they think that they have a unique need or they need their own version or their own copy and on and on and on. That makes it more complex. So old days, maybe that was more of a necessity. In today's world the idea of sharing information technologically is there. It's just let's just agree on the language, if you will, on how we're going to communicate. Let's agree that customer means customer or is it applicant or whatever and you just kind of agree on some of those bases and then we can solve that. Even if you're legacy based you can solve that. To me, who cares about the translation; it's when you get a new data element or change relationships between the data elements that things get a little bit squirrely.

How that relates over to verification and business rules is at least to be consistent to say that if I'm going to call someone, a customer as a data element so I can pass that and you know exactly what I mean by that and then, if I'm going to do a verification for an external interface that I do the same thing, so if I'm going to hit a state or federal agency for verification it's the same and then if I'm going to actually post rules around that I'm going to be using the English language, if you will, to call it same thing and I'm not going to require a lot of churn for people to kind of go, well, over here I called it this data element. Here if I'm going against this state or federal agency for verification or even some other third party, banks,

whatever, how can I make that consistent? Then when I get to the rules engine, rules, if you will, posting, I suddenly start calling it if applicant X is whatever.

So back to your question about are these the right three, I think yes, because I think that's where you can get some synergy across those if you can develop some standards to at least be consistent about anything that we want to propose, certainly on the go-forward, but to the degree it helps clarify what's the starting place, because sometimes that's the other side of all of this is when we're starting with a clean sheet of paper for perhaps this 40 million there's always the reconciliation of those that are already there and if there's any benefit that comes out of this to help clarify how we also want to talk about that other population and reconcile the two that would be helpful. Anyway, those are just kind of my initial thoughts is the fact that I think these three, maybe not the whole universe, but I do think that they're areas where we can really make some good strides around standardization.

Sam Karp – California HealthCare Foundation – Chief Program Officer
I'm hoping somebody will say we got it wrong. Jim?

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
I would say that it doesn't seem to me that this is maybe deep enough. I'm not sure that it's appropriate to just have these recommendations short of what we do in the JAVA community of a reference implementation, something that people can leverage and use and expand on, but it takes the best ideas. Certainly, I think these three things are at least as right as anything I can think of of where to start, but I'm not sure without a commitment to deliver a working proposal you aren't just in a paper exercise that may not be implementable by industry and then you get into my former comments of just how many times do you need to do this over and over again and prevent that if you at all can?

Aneesh Chopra – White House – CTO
A segue to that comment, which is Bryan's question; I'm assuming you've all ready very thoughtfully the RFP process and whatever the grant thing ... what do we call the thing? The Henry OCIIO document. It was very explicit that the five leading states or consortia states would be sharing and making the intellectual property reusable and essentially; I don't want to say the words act as a reference implementation, but in a sense that's the spirit of the words that the wonderful team at OCIIO had reacted to. I'm curious from any of your perspectives what your reaction is to the current grant making approach to this issue and in Bryan's words, whether you've had experience in that regard and if so, where and how? Anyone want to take that aspect first? Garland?

Garland Kemper – Unisys – Health & Human Services Program Director
Well, from the grant making perspective I want to go back to Bryan's specific point about referencing model and transferring solutions and does the second one out of the gate benefit from the first implementation. I mean we all welcome opportunities to transfer our solutions to another state and we always walk into a new implementation, whether it's eligibility system, ... system, MMIS, whatever. The first thing that we hear from our new client is we like what they did, but we just have this little change. That little change results in everybody seeing lots of dollars fly around. I think that the MMIS world and the ... world have gotten pretty far along that route and maybe the models to follow in some extent. I mean I think that there's more commonality among state MMIS systems than there are differences. I think that that's true in the ... world as well.

Aneesh Chopra – White House – CTO
Garland, is that reflected in the net price paid for these systems?

Garland Kemper – Unisys – Health & Human Services Program Director
Oh, no.

Aneesh Chopra – White House – CTO
It seems to me that the net price paid per state has actually gone up, not down.

M
... the product.

Garland Kemper – Unisys – Health & Human Services Program Director
Yes—

Aneesh Chopra – White House – CTO
Is there anyone that has an example where the net price paid went down?

Arvinder Singh – CNSI – SVP Health & Human Services
This is an actual fact that we actually went to a state and gave them a proposal, which ... that if you want to take the base services and ... system from state X this is the cost and if you were to fully customize it, as was being mentioned, the cost is Y. What did the state choose? Y.

Garland Kemper – Unisys – Health & Human Services Program Director
Without a doubt.

Arvinder Singh – CNSI – SVP Health & Human Services
We actually have it on the record that we actually gave a significant difference of almost $20 million as a proposal to say use the same services, the same business processes, which are actually proven in a couple of states. This is the cost versus something where I want to do it on my own and the answer was I get this chance every 10 years, 15 years. I want to do it my way.

(Overlapping voices.)

David McCurley – Accenture – Global Managing Director, Human Services
We experienced in Idaho transferring an eligibility system where they exercised the discipline to say we really are going to try to use as much as we can and so the vendor price I think was like $12 million to transfer an eligibility system and go completely Web based. They got the full gamut of that and that's significantly lower than the usual one that comes across, but it always, because of the discipline of the organization coming in saying that's good enough.

W
That's very interesting.

David McCurley – Accenture – Global Managing Director, Human Services
It's not and we're going to stick with that. We're going to change things where our laws are different, where our public policy dictates that we have to change some things, but to the extent that we can adopt our business processes, to the extent that we can live within the constraints of the system we're bringing in, we're going to try to do that.

The other thing that I would say just real quick about that is that the advantage, again, today with SOA architectures and a variety of other kinds of standards at the technology level allow us the possibility to transfer things at a much more granular level than we've historically done and so certainly, you mentioned the Unisys architecture. Accenture has developed our Accenture public service platform the same way, to be very SOA, service oriented all up and down the technical stack to allow you to take the best from this area, some cost solutions in this area that are well defined and well accepted, some custom stuff from someplace else and to preserve legacy pieces and parts that are working well by throwing a SOA wrapper around it and continuing to use that in a services way so that you can do exactly what you're talking about where you can really maximize the investment where you go across.

My last thing would be with respect to the grant process that we talked about with Henry. I mean we've seen some people look in other areas as well to create multi-state or regional consortia to try to crack this

nut in a more cost effective way. There are four or five states that are working together across human services. They're starting, I think, with a provider model, provider payment, provider service provider functions, etc. to start to create, again, a service oriented way where each state is going to build some pieces and parts and components, agree to the standards and then share them back and forth. So I think there are a lot of folks out there that want to do that. In the very real world that we live in, in terms of budget constraints at the state and county level that says we're going to have to do things in a different way. So I think the promises these architectures could give us the technical background to do it and then we've just got to couple it again with that public policy will to say we are going to live with what we can get.

Aneesh Chopra – White House – CTO
This is a theme we're going to hit all day, so we're going to have fun. John?

John Petraborg – HP – Welfare and Benefits Expert
I think there's also a leadership question here, because I don't talk to a customer anywhere that doesn't have this vision of trying to reuse in order to save money. It is when you get to the actual development of requirements or you get users in a room talking about what they want or what they don't want that that vision goes out the window. You can take a cost platform and customize it to that. You can take a transfer system you've agreed to and you end up with a unique system. But there are some smaller examples where this can work, to Dave's point. An example I would use in the Medicaid world is the immunization registry, which we developed, HP has developed in Wisconsin and the is actually being reused almost identically in 17 other states. They repurposed it, rebadged it for their particular states.

Garland Kemper – Unisys – Health & Human Services Program Director
WIC is another example that has a reference model available.

Aneesh Chopra – White House – CTO
Paul, last word and then we're going to get to the next topic.

Paul Egerman – Software Entrepreneur
I gave you shout out, by the way, for the five-state consortia.

Arvinder Singh – CNSI – SVP Health & Human Services
Yes. We've been leading the chart for almost two years now, so even if the states have the will and the leadership to do it, one of the real stumbling blocks is the funding mechanism because sometimes the funding allows for ... doing the core all over and building a system all over. In your experience what are you finding?

M
I mean your 2014 deadline is going to create a lot of pressure to add yet another stovepipe, because in order to meet the need for the rapid expansion of the healthcare system, I mean ... states already make a decision saying I'd love to integrate this, I would love to make it more interoperable. I can't meet the 2014 deadline. I can't do what I need to do to my legacy application so guess what? I'm going to have a Medicaid eligibility system that's separate from everything else so I can meet the deadline.

So one of the challenges I would throw back to this group is to say if your goal of interoperability; you've got to tell us which is the right priority; is 2014 for rapid Medicaid enrollment your vertical answer? If that's the priority over the horizontal answer that's what you're going to get and you're going to get a lot of states saying that's what we got and we've got a brand new Medicaid system. It's not connected to the other things the way that we'd like it to be, but we couldn't do that by 2014. I mean I think that's a very real thing that you guys are going to have to wrestle with—

(Overlapping voices.)

<u>Aneesh Chopra – White House – CTO</u>

... to the next one, because we're going to hit the same thing again if you don't mind. I want to be respectful of the fact that we've got to get through three or four other topics. Let's go to the next topic on verification interfaces if you don't mind. This is one where we're hoping it's a lot more kind of give us the nuts and bolts on the ground about your experiences.

Just a quick review for the folks on the panel: Today is anyone engaging in some form or fashion with what Web services to get verification data from either federal or other state sources in any of your systems, back-ends or what have you? Anyone want to react to the method by which you can verify pieces of information from third party apps at the federal or state level and if so, how that's working? Arvinder?

<u>Arvinder Singh – CNSI – SVP Health & Human Services</u>

In our experience most of the interfaces, especially with the federal sources, continue to be file based. They are not in any shape or form, ready for any sort of a significant Web services, exchange to the little experience and exposure we have had, even though on the receiving side we are ready to converse and talk in some sort of a real-time ... the existing infrastructure is file based. A very small example, even today, is CMS is going out and sending out an RFP. The mode of how they give out the data is actually mainframe cartridges and that's the only way you get data. There is no other way for CMS to publish that data. That's the actual, unfortunate reality of where the systems exist in terms of being able to ... information.

<u>Aneesh Chopra – White House – CTO</u>

Do any of you interface with the United States Postal Service to verify address? How is that working? How does that work? Isn't that a real-time interface?

<u>M</u>

Yes it is and that's an example of one where the sending organization or receiving, depending on how you look at it, both sides are ready—

<u>M</u>

Right.

<u>M</u>

And so—

<u>M</u>

... using any of these human service programs in any way, shape or form or is it sort of extraneous?

<u>M</u>

Well, I mean we use that for outbound correspondence, verification, a variety of other things where we're trying to make sure that addresses don't get returned, etc. So that's an example of where we've got that integrated on the human services side. Are we doing it for verification? Not as much, but certainly on some of—

<u>M</u>

What makes it possible is that the Postal Service is making it possible. You all say you have the capability, but on their side they're ready.

<u>M</u>

Right. Exactly.

<u>M</u>

When we met with the IRS, Social Security, Homeland Security we asked those questions and Social Security tells us that they're going to be ready to do it. Homeland Security says they have it already in their eVerify system that has transaction costs associated with a separate issue. IRS is still working on it.

Arvinder Singh – CNSI – SVP Health & Human Services
I think you just mentioned reality. They said they were going to be ready, so there's a classic timing issue, as we mentioned ... reach in 2014. When are all of the other agencies and other sources going to be ready? When is the receiving system going to be ready? Are we all going to synch up for an actual implementation by 2014? The minute somebody recognizes there's a risk the default is to fall back to the traditional way of a file based or a non-real-time basis, if you will. That's the implementation reality that David mentioned. It's very valid.

Aneesh Chopra – White House – CTO
Just acknowledging, because we kind of know where we are at the federal level, I'm curious if any states in your Oklahoma story or what have you, one of you, any of you, have there been any examples where you are able to verify pieces of information critical for the business process that were sourced by other pieces inside the apparatus, John or anyone?

John Petraborg – HP – Welfare and Benefits Expert
Between the county and the state there's—

Aneesh Chopra – White House – CTO
I'm counting on you, Steve.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Well again, I think as far as real-time concept of real-time, hitting state for identification—

Aneesh Chopra – White House – CTO
Or anything—

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Yes. Within the state of California we can do real-time interfacing with a state entity, OSI, in terms of getting an identification—I'm sorry—Office of System Integration I think, I believe is the one that maintains the system for what we call kind of a state identifier for an individual, so we can go and we can ping that real-time and come back if we're going through the application, eligibility determination process to say are you known to the state. Who are you? Have we seen you before? We have another interface into what we call MEDS, the Medicaid kind of clearinghouse if you will—

Aneesh Chopra – White House – CTO
If you could clarify in the California story the systems integration hub is sort of a standalone app, if you will. You ping it. It theoretically brokers to whatever legacy infrastructure and pings back a yay, nay, with whatever in front of you.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Right. It really kind of goes to the conversation that we were just having with Dave and everyone else is from a capability of eligibility system we have the ability, whether it's through a Web service capability or just transaction set, whatever concept you want to talk about, the ability for real-time I want to ask, I want to get an answer is there. What is available at the state level is sometimes very real-time in the case of both, the state identification and MEDS transaction, but then there are some behind the scenes, back-end batch process and things that try and keep those things. There is latency of a day I guess is what I would call it; a timely latency to data to what we're getting to.

Aneesh Chopra – White House – CTO

In those circumstances is the information transfer sufficient to meet the business requirements that this in fact is, A, the person we say they are or is it sort of a secondary, that's cool to know, but it's not core to what we're doing in terms of checking the box, if you will?

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
I mean I think it's well within the moment of trying to rapidly move through you are who you are, at least as far as we know you to be. Are you known to the state? Do you have a unique identifier? Have we seen you before anywhere within the eligibility world? Then proceed forward with your application. I think you get into different conversations if you really want to go to trusted sources around like real ID and conversations around what ultimately is the trusted source, whether that's DMV or someone else to say who are you. Those folks aren't in yet, but again, back to do the eligibility solutions, at least speaking for the one on California, have the ability to do that? Yes. The question is just simply do some of the agencies have that ability in place for us to do that type of real-time interfacing.

Aneesh Chopra – White House – CTO
Does anyone else want to react to this? John, go ahead.

John Petraborg – HP – Welfare and Benefits Expert
You mentioned Oklahoma and one of the ways they handled this is that those interfaces that they can do real-time they do and they move then ahead with the eligibility determination based on that data. Later, if the data interfaced comes either in a batch or an update comes in then they use the business process or an exception process to track that down, so they move forward with the data that they have to determine eligibility and then use any later data or different data on an exception basis.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
That was what I meant by the latency. Sometimes we can get there, but is the information current?

David McCurley – Accenture – Global Managing Director, Human Services
In one solution a state used a third party data broker to pull together information on income, some assets, things like that that were publicly available out of a variety of public records databases. Again, you get some timing issues about what information they were getting, wage data that was reported. It's quarterly. It may be old, etc. So as opposed to just doing an automatic verification what it did is kind of popped up here's the answer that we got out of the data broker. You compare it with the information that the family provided you. If it's in the ballpark then you have some degree of comfort. It didn't' automate the connection just because of the timing differences that were out there. Maybe they sold a car that they used to have and the DMV system has not been updated yet or they lost a job, but they're still showing up in the quarterly wage report from the employer for the last quarter. But still, I mean that was a Web service. That is something that was called. That organization aggregated that data from a variety of other public sources, so it is something that's there. Again, I think if you create a standard and say this is how we want this information reported—

Aneesh Chopra – White House – CTO
Do you mind telling me what that was, which that broker service was? Do you remember?

David McCurley – Accenture – Global Managing Director, Human Services
It was in Texas. They used a data broker services as part of their CHIP eligibility and Medicaid eligibility verification process. I can't remember the name of the commercial company that they contracted with.

Aneesh Chopra – White House – CTO
We'll track it down. Thank you.

David McCurley – Accenture – Global Managing Director, Human Services
Yes, but in the same deal, right when they went with the balanced budget act and we had to start verifying citizenship for Medicaid that same agency, I remember sitting in a room with the director. He

said, "Wait, don't I own the birth certificate people too? Why am I making people show up and show me a birth certificate?" I said, "Well, you've got a state law that says your birth certificate guys can only give birth certificate data to the people. They can't share that birth certificate data with any other agency, not even you." It was like, so I'm going to make them come back to me. I'm going to print off a copy of something I already have digitally. I'm going to hand it to them. They're going to bring it to my other office—

Aneesh Chopra – White House – CTO
But, Dave, in that particular example our recommendations have been clear in those examples in the consumer mediate model in theory that data source could provide to the consumer and that consumer could transfer that data up, so we've been trying to figure this process out—

David McCurley – Accenture – Global Managing Director, Human Services
Again, you come back to the challenge sometimes is policy and legal as opposed to technical because, again, this agency not only already had it, they already had it digitally and yet they were going to print it off, hand it to somebody, bring it back in, copy it, scan it and store it digitally again.

Aneesh Chopra – White House – CTO
Most policy frameworks allow the individual to get their data, so one of the technical design questions we're grappling with is if you take that model how do we build—

David McCurley – Accenture – Global Managing Director, Human Services
We'll get to that.

Aneesh Chopra – White House – CTO
Yes, we're going to get to that in a minute, but can I switch to the recommendation itself? It seems to me that if it does not exist in nature today how might such a nirvana like service affect our ability to meet 2014 in your development cycles. I'm going to assume you're all going to say, "Good idea. Let's have a service where you could broker these kinds of transactions." Realistically though, what's the advice in terms of timeframes? What has to be available when if we're going to hit 2014? Because we can say all of these things, but if we can't execute on them by when I'd love to get a little bit of a texture from you on the ground. Arvinder, you've been very candid with us in this conversation, so be more candid. If such a service, if SSA was live on X by when it would be useful in the development timeline to hit Y? A little bit more texture would be useful.

Jim, you had a question or comment?

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
The challenge I think you have here, and going back to your question of year-over-year costs increasing as they redeploy the same systems, where is the community that creates these standard ways of interoperating with these—

Aneesh Chopra – White House – CTO
Jim, they work for you—

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
Frankly, I don't think Red Hat is the place. I don't think we could do this. We really have to work with you, other agencies in the government and states and all of these integrators to find out ....

Aneesh Chopra – White House – CTO
There's a science to this that works.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
Yes. I just keep hearing over and over again let's just keep reinventing the wheel.

<u>Aneesh Chopra – White House – CTO</u>
Could you say a word or two about the science of this that works? Because that's explicit in the OCIIO grant procurement thing and I just want to make sure what do we call it ... whatever—

<u>M</u>
....

<u>Aneesh Chopra – White House – CTO</u>
Yes, thing. Could you just, in this point, and you're welcome to say a word or two. Henry is sitting right here. What is it that is at the heart of the success for enabling a community of folks that engage on reusability and sharability of these assets and partly it's around these verification interfaces in the community and part of any of these things, but if you have any particular thoughts around how that should be engineered, it is called for in the documents that Henry released, so it's not like we're going out of nowhere. It's exactly what we've intended, so please—

<u>Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect</u>
All of the stakeholders need to have a commitment and a voice to participate in that, from citizens to healthcare providers, to the states, to the counties, to the cities, to the federal agencies that are all encompassing this. Everybody needs to at least have a voice and a willingness to accept their input into this.

I think the other thing is that ultimately the source code that drives all of these things need to be publicly available. It can't be locked down. It can't be in the proprietary walls. It can't live behind the consulting efforts of HP and Accenture, Lockheed Martin and just keep on going down the integrator list. We've already seen a model with the DoD, Department of Defense, with the name escapes me, of course, right now, but an Open Source ... like—

<u>M</u>
....

<u>Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect</u>
Where this ... where all of this stuff can reside. I haven't yet seen it on the civilian side of government. With that state I mentioned at the beginning they've done a little bit of sharing with a repository out there. They worked a little bit with a college, University of New York, to share that information, but you've got to create that share and share alike philosophy that I don't think traditionally has existed with the ... and the silos that have existed to date. I mean it's just the inertia of the system to date. That's just what we've done.

<u>Aneesh Chopra – White House – CTO</u>
Right.

<u>M</u>
There are examples of this sharing and desire to share that are cropping up in many different places around government right now from, on the sort of county level there is an example in Pueblo County, Colorado where this one little county started acting as a shared service provider for a land asset management system. Gopal actually has shared his UI system with, I believe, Iowa. So there are examples of this.

I don't know if you've heard of this thing that we're working on called Civic Commons, but it's really the idea of it is to create a portal or an environment where all of this information can be shared between different jurisdictions, both in an Open Source and proprietary fashion, recognizing that we're never going to get to a point where everything is Open Source and there is definitely a place for proprietary systems, but there are ways that even proprietary systems can be implemented and leveraged much more

intelligently. For example, I don't need to rewrite an RFP. I may need to modify an RFP. I don't need to redo a complete project plan. I might need to modify something that already exists, take lessons learned from a previous implementation. Take a previous implementation and just tweak it a little bit. I mean there is lots of stuff that we can do and share. I think we just need the place to do it and the buy-in from all of the different players that this is a good thing to do.

This is one of the things we're actually trying to set up right now, because it's, we think, critically important, especially given the financial crises that most jurisdictions are facing right now.

Aneesh Chopra – White House – CTO
Back to verification services, yes, John?

John Petraborg – HP – Welfare and Benefits Expert
I wanted to emphasize the policy aspect of this problem and the opportunity that the policy may play. I mean Dave mentioned the situation of sort of recopying data in order to have a physical copy in a case record. That's a policy decision someone made to require that.

As we move to thinking about how we verify income in the new Medicaid world, what kind of data is good enough to get us comfortable that this person is in the right coverage category? Because I know you've talked about it, but in the new world it's really about what coverage category is appropriate, not whether or not an individual is entitled, so having the very latest income data may not be necessary in order to be successful in moving that person forward to the right program. So being comfortable with a little less precision from a policy point of view around some things that are particularly problematic, like current data, current income, can help move this forward quite a bit in terms of implementation.

Aneesh Chopra – White House – CTO
We have half a dozen, maybe five or six minutes left to kind of get to the question of verification services, but I mean candidly, point blank, when and how us standing this thing up could be impactful to the 2014 process recommendations, ideas, reactions, thoughts, is it a waste of time? Is it worth pursuing? How would you think about advising us to do it right so that it can be reused and useful for you? Any reactions to the notion of this particular recommendation about the verification services hub, if you will ...?

M
You should do it. It's likely not going to be ready in its full intent by 2014, but if you can prescribe the standards—

Aneesh Chopra – White House – CTO
If it would be in your dream scenario when would it need to be for your programming team to kind of engage and trust it as implementations proceed?

Arvinder Singh – CNSI – SVP Health & Human Services
At least a year before—

M
A year. That's what I was going to say; at least a year ahead of time. It would need to be out there and something we could test against.

Arvinder Singh – CNSI – SVP Health & Human Services
I think it goes back to the initial mention that one of the things that should be done if you want to make this more successful is actually have a referenced implementation of these interfaces as a part of a community based setup.

Aneesh Chopra – White House – CTO

... that John talked about, right? So if you decide there are only three things you need to care about you sure made your job of building the interface a lot easier as opposed to saying I've got to have the last month's net income out of the IRS, even though they don't have that data.

Arvinder Singh – CNSI – SVP Health & Human Services
The other thing on the community side, the only thing that is fundamental for any community to be successful, as ... pointed out, what's the incentive for Unisys, CNSI, Accenture to actually participate and create something where there is a business pipeline for them to continue building for private systems? There has to be an incentive or a disincentive for organizations to participate in it. It could be an incentive or it could be a disincentive. Today none of that exists and the exercise of bringing about community—

Aneesh Chopra – White House – CTO
Arvinder, I'm just curious. Have you reacted to the language that was in the SOA that Henry released? I'm just curious. Is that not explicit enough? Is it too explicit? It pretty much describes in excruciating detail in five different ways the need to share, reuse, collaborate and so forth. I want to make sure to get your reaction to it. You may not have seen it, so I don't want to put you on the spot.

Arvinder Singh – CNSI – SVP Health & Human Services
I reviewed it, but the question is what's the enforcing mechanism. The idea is—

Aneesh Chopra – White House – CTO
Have you met Henry?

Arvinder Singh – CNSI – SVP Health & Human Services
Yes. I'm sure I'm not going to be able to take him on in a fight ... but the question basically is ideas and the concepts, but what's the enforcing mechanism.

Aneesh Chopra – White House – CTO
Thank you. Extremely helpful.

Arvinder Singh – CNSI – SVP Health & Human Services
I think that's something—

Aneesh Chopra – White House – CTO
Very helpful. Tim?

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
I think the answer to your question about what is there incentive for doing this, if you prescribe the economic theory that money can be moved on to other things. The quote I'd give you, I was talking to a gentleman from the state of Michigan. He said we need to do things more efficiently and there's all of this pushback that people are afraid they're going to lose their jobs in the state government and these agencies. The reality of this system is that we, as taxpayers, we, as consumers of this system demand more and more as we're given more; that Unisys doesn't have to fear the fact that they're giving out proprietary assets or HP or any other integrators. The greater community that will eventually be formed with that economic gain should greatly increase their ability to create money in their various businesses that they wish to deliver to to add services to the government.

Aneesh Chopra – White House – CTO
Terri, yes? Terri's got a question and then Ronan.

Terri Shaw – Children's Partnership – Deputy Director
Yes. I just wanted to pick up on lots of different threads that come up. This has been a great conversation. Thank you, all, very much, but I want to pick up on one particular thread, which is even in the nirvana world where we have real-time verification across lots of different systems, state, federal,

local, all of that and maybe especially in that nirvana world, we're going to have conflicting information. What is the role of the consumer, customer, applicant, whatever you want to call them in mediating those discrepancies and communicating the results of resolved discrepancies through the system as appropriate? Some things are going to continually change, so there may not be as much need, but in some cases is would make a lot of sense and make the process that much simpler the next time around. So I'd be curious about thoughts on any of that from you all.

Aneesh Chopra – White House – CTO
Steve?

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Yes. I think in terms of this whole category of verification because I mean I think you know we kind of drift into openness and all of those things, which I think is always a great conversation, but I think it kind of comes back to what's been stated around; and I'll get to your question about the fact that what is the information that's really required and really always challenging do we really need this or not and getting through that and then figuring out where the true, trusted source is. What is the system of record for whatever verification we are now asking for, whether it's income, whether it's assets, whether it's who you are? What are those? To the degree that we can somewhat prescribe that and say that this is just the certified trusted source for that, then the technology side can kind of flow along with that as we've talked about. Yes, there will be data latency issues potentially between now and 2014. Not everyone is going to get to real-time. It's not going to all be instantaneous and it may not even be necessary, but I think that the handshake can be worked out.

To the question about the individual, I think that, again, back to the charter of how much straight through processing do we want to be able to support in this customer centric model, if the idea is that I can go in and answer, hopefully, the minimal number of questions because you probably know about me in spades from a zillion other ways if I truly have all of this stuff working, then you do whatever you want to call it, some profiling, some risk assessments or something that just simply say I've got enough. I know you're you and we're good to go. If not, what is the flag that comes back to maybe me as the ultimate owner of me to say, "You know what? We have a discrepancy here." Now, maybe a lot of times discrepancies are worked out by case workers now and other people, but what happens in the new world if I'm the arbitrator somewhat, with someone else to say, "The reason that you denied me was because you thought that I had a boat in the Cayman's," or something like that, "And that really wasn't me." So I don't know if ....

(Overlapping voices.)

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Your question is to say as we get verification of stuff, if it satisfies everything, great. But just deal with the exceptions and then who arbitrates those exceptions?

Aneesh Chopra – White House – CTO
I'm going to ask Ronan to go quickly and then Sam will wrap up in this questioning segment.

Ronan Rooney – Curam Software – CTO & Cofounder
I think I guess I was going to jump in earlier on, but I think it's been ... I do want to find out about the boat in the Cayman's, so ... volunteer for that. It seems to me that as we talk ... everybody explained them ... the data elements for verification. We're going to talk about the rules, our policies later on and also, I think, Arvinder and a number of people ... brought up the whole question of business processes.

If you look around the U.S. today we have hundreds of each of those, hundreds of versions of each of those, so I don't think we necessarily require new versions of those, but it's how we combine those things to deliver useful capabilities that are reusable. We have probably, at this stage, I don't know, 150 cyclone system that have been developed over the last 20 years. The same for TANF and food stamps and SNAP and so on. So I think the challenge for us is how do we decide what is a useful, reusable

component or functional capability. I think Lynn addressed it when she talked about the messages or when they talked about it earlier on. I think most of the panel and Jim has also talked about the same thing. So I think the focus for us going forward here, it seems to me from the discussion is that we need to define those rather than defining the individual components, the individual data elements or individual rules. We already have those many times over.

I think what we don't want to do is develop, I think, just a new program with the new capabilities that we have now with Medicaid, so we have ... levels versus 130 and we make it a new program versus deliver reusable functional capabilities that really enable that innovation and provide that platform for everybody to use.

Sam Karp – California HealthCare Foundation – Chief Program Officer
This concludes this session. We're going to take a ten-minute break. A very high-level summary I heard is that there's support for NIEM. There was a tremendous encouragement for greater discipline, particularly around semantic optionality, which I heard very clearly.

I want to be sensitive to our colleagues in the workgroup who are on the phone. We know you're there. We can't see you. Please speak up. If we could see you raise your hand we'd call on you.

Aneesh Chopra – White House – CTO
Hit a button and we'll hear it.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Yes. Do something, but we want to include you in this. We also understand that Quest has joined us and our next session when we come back from a ten-minute break is to talk about transmission of eligibility and enrollment information, so we'll pick up with that at 11:20. Thank you, all.

(Break)

Judy Sparrow – Office of the National Coordinator – Executive Director
I think we're ready to begin. If you could please take your seats? Thank you. Let me turn it over to Sam Karp.

Sam Karp – California HealthCare Foundation – Chief Program Officer
We have three other areas that we want to cover before our lunch break at 12:30: This that we teed up right before the break, transmission of eligibility and enrollment information. We also want to talk about the new standards around business rules and also privacy and security. I suspect that this topic, transmission of eligibility and enrollment information, will be a shorter discussion because I read all of your documents and you're nodding now and there seemed to be general agreement about this, but let's spend some time talking about it.

We posed a couple of questions. Do any of your systems currently use existing HIPAA standards to transmit eligibility and enrollment information to other entities? If the answer to that is not yes, I'd like to hear why.

W
So would we.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Good. That's what I suspected. So what about additional level of specificity, core, for example, other operating rules that you use? I noticed in your comments that there were some suggestions that the committee's recommendation should actually go further; that existing HIPAA transaction standards should be used for other purposes. I can't remember who it was that suggested that. If I did read it correctly and somebody has to comment about that I'd appreciate it.

<u>Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services</u>
I'll see if I can make this apply, but it's somewhat separate from HIPAA specifically, but one of the things in California, California, as I know you know, Sam, it's got three consortiums that make up that state. One of the things around just the transmission of eligibility and enrollment information is around kind of what we refer to as kind of inter-county transfer capability—

<u>Sam Karp – California HealthCare Foundation – Chief Program Officer</u>
Do you mean the ability of taking one paper file and sending it from one county to another?

<u>Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services</u>
Well, no. I mean actually doing it electronically—

<u>Sam Karp – California HealthCare Foundation – Chief Program Officer</u>
But I'm talking about the current process.

<u>M</u>
You can do that within the consortium as well—

(Overlapping voices.)

<u>Sam Karp – California HealthCare Foundation – Chief Program Officer</u>
So it's worse than I thought?

<u>Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services</u>
Yes. That's what I'm going to say. There are initiatives under way. Speaking for at least one of the consortiums, that can be done electronically today, not paper based, but can be done electronically. Some choose not to, so it's a matter of adoption; however, the consortium has gotten together collaboratively to kind of say how do we want to electronically share information that I've already enrolled, I've already gone through all of the steps. I just happen to have physically, geographically changed where I'm at within the state.

The reason I bring that up is it requires a level of cooperation to agree on how we're going to pass that information back and forth across the consortium. There might be a model there; at least what I've heard, there might be some state boundaries that might want to be discussed around the information exchange, etc. where some might be contemplating the idea that an HIE erected in a particular state may actually be able to serve multiple states. I don't know if that's real, if that's just being contemplated or whatever, but I think there might be some models there to just say we're doing it within a state boundary. If we start talking cross state boundaries is there just some things we can glean from that to say here's some of the information that we need to be able to do eligibility determination and actual enrollment. So it's not in place today. There's actually a workgroup that is working through that and the intention is to have that in place here, I believe in like the next six months.

<u>Sam Karp – California HealthCare Foundation – Chief Program Officer</u>
Any other comments on this topic?

<u>Arvinder Singh – CNSI – SVP Health & Human Services</u>
Just two observations: One, at this point in time from a purely a timing perspective the specificity that exists in core even does not cover 834 as a transaction set. That's just an observation that exists today. Also, the fact that some of the coded elements that have been identified so far don't have a placeholder in either of those two transactions, which are being mentioned in 270, 271 and 834 as potential mediums for transmission. So it's already existing data elements. They do not exist in those transactions the way it's understood today.

The last thing is ... a question that's more for me to also understand. 270 and 271 by nature is a request response model, if you will. If you're trying to push information without having a request in I'm not sure how 270 or 271 would operate in that world. 271 is eligibility information response based on a request. Here you're trying to push information as a part of the overall end-to-end business process. I'm not sure how. I don't have an answer. That's why maybe I'm asking a question and it should be the other way around, but I thought I would put that as something for the group to consider.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Dave, did you have—?

David McCurley – Accenture – Global Managing Director, Human Services
Well, I mean I know that we were specific about eligibility enrollment, but I know that it gets mushed up in thinking about health information exchanges and those are the things that we think about the standards for interoperability. One thing, again, I would just say as we consider the future and where we go, the notion of adding capability to transmit information about health outcomes or health capability or those kinds of things, because if we really get to the business of what we've got to do to make it more cost effective we've got to have people that are less sick and less sick people. That means we're going to have to do a better job of communicating information about their health situation and figuring out how to do that. So as we think about the next generation of HIPAA transaction sets we ought to be thinking about those outcomes or health conditions, if you will, broader than just eligibility and enrollment and individual transactions for payment ....

Sam Karp – California HealthCare Foundation – Chief Program Officer
I think that's right. There has been some discussion amongst this workgroup. It hasn't gone very far given our charge, but how do we think about the separate stream of funds that are available for state based health information exchanges. I know Henry and I were part of a conversation yesterday where we talked about what are the common architectures in both and shared services in both. That may be the way to do it. Sallie and I had a great conversation talking about master patient indexes and lookups and so on, so there are commonalities that we hope at some point, as part of the horizontal approach, that we'll get to.

Garland?

Garland Kemper – Unisys – Health & Human Services Program Director
Also, NHIN is incorporating a NIEM health domain specific to this topic.

Sam Karp – California HealthCare Foundation – Chief Program Officer
That's right. Let me ask just a quick question about we talk here largely about transmission of eligibility enrollment information from an exchange to a Medicaid agency, from an exchange to a public or private health plan. What about transmission to the applicant using mediums that the applicant uses these days, e-mail, text message, etc.? Thoughts about that? Are you doing it today?

David McCurley – Accenture – Global Managing Director, Human Services
We're incorporating more of those mobile messaging platforms than virtually all of this in things that we're doing. I mean a couple of driving factors behind it, right? The fastest selling computing platform for families that make less than $50,000 a year is the iPhone, right? Because it's not an expensive phone. It's a cheap computer. Those folks are using it more and more so. SMS text and having an SMS standard for how information might be communicated, a verification authentication standard that would allow you to say, "Yes, you can share this kind of information on a mobile device," we very much have to have those as part of the standards going forward, because by the time we get to 2014 a ton of this information is going to be communicated to mobile devices.

Sam Karp – California HealthCare Foundation – Chief Program Officer

I think that's absolutely right, particularly with the next generation of what some are calling iPad killers. I'm not sure you can actually use your iPhone to apply for benefits today because of the screen size, but with these smart devices with larger displays I think they will be the instrument that people will be using.

David McCurley – Accenture – Global Managing Director, Human Services
You may be able to reapply. I mean that—

Sam Karp – California HealthCare Foundation – Chief Program Officer
That's right. You can reapply or get a—

David McCurley – Accenture – Global Managing Director, Human Services
... the application 60% to 80% of the work that we do is repeat customers going through that process.

Sam Karp – California HealthCare Foundation – Chief Program Officer
I think that's absolutely right. Okay. So we're going to move to the next topic, which is a discussion of business rules and for this I'm going to turn it over to my colleague, Cris Ross, who Co-Chaired the Business Rules Tiger Team.

Cris Ross – LabHub – CIO
I think one of the questions we really want to start with is the one on the top, which is what is the current state-of-the-art as you see it, an expression of business rules outside of transactional systems? If you could just go down the line and talk a little bit about what your view is of the current state? I don't know who wants to start?

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
You probably aren't going to necessarily like my answer. To date—

Cris Ross – LabHub – CIO
We've liked all of your answers so far.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
Well, this isn't necessarily a good answer for you. It's that there really isn't a standard in the rules community or even in the proprietary space around a generic way to offer rules so they're consumable by multiple rules engines. Fundamentally that's just the nature of the beast of proprietary systems. If they came together to create a marketplace or way in which you could author rules that are independent of where they are run you just enabled them to switch to your competitor, so there's an intrinsic mismatch there in needed functionality that just doesn't exist and probably won't because it's against their economic livelihood, at least in their mind today.

With that said, we certainly have some systems that we have worked on with various customers where we've leveraged things like XML files, comma-separated data. Databases, I'm not sure if that counts as transactional in your definition, but they've leveraged databases as a repository for a plain, English-language-like markup that they've created to allow analysts, consumers, the public to be able to look at these things easily and not have them be embedded in the computer code that have that intrinsic business friction I spoke to earlier.

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
Well, I mean I think with the more legacy based systems to this particular question, obviously, it's more difficult and frankly, there's not really a great answer to how you really truly express the business rules that are in the core system versus what you believe them to be.

I think with the advent of rules engines, where we have those in play, bringing those two things really closer together to say in an English fashion that's maybe consumable by policy makers, policy interpreters, I guess what I would say is the nice thing about where rules engines have taken things,

there's really a little bit of a divide between what was policy, how was that policy interpreted by those that then tried to take it to the next level of granularity to really turn those into true business rules. Then there was always kind of a coder in between and so trying to always make sure that what was intended truly ended up in terms of how the system was going to process and handle the determination. The nice thing about where rules engines come into play is that makes that more and more transparent. It really allows you to have that English conversation about this is what I said. This is what I meant and this is, in fact, what the system is going to do.

I don't know if that hopefully answered it, but I mean I think it's really about where you have more legacy based transaction systems you're more reliant on the back-end. You got your eligibility or you didn't get your eligibility and here's why based on what the system thinks it did versus on the front-end what was the original policy and rules intended to do. With rules engines you're able to, I think, tie those together a lot closer and express those if there is any question or audit or etc.

Cris Ross – LabHub – CIO
Well, I think our tiger team was really sold on the notion that you're talking about, a separation of rules, the idea of trying to do abstraction so that there was a single codified set of logic that would follow from an English language expression at a policy maker or consumer level, all of the way down to something that was almost pseudo-code that could be generated.

I think our real challenge is not sort of re-affirming that that model makes sense. I think our question is what's its level of practicality. So you're input is great. We'd really love to hear, as we walk down the table here, what's the barrier for us getting there. If it's a good idea is it in systems today and if it's not, how do we get it there?

Steve Middlekauff – HP – Account Exec., State & Local HHS Enterprise Services
I can speak to one step in that process, which is the policy person getting the rules into the system and I would use the example, again, of Oklahoma where it is a rules based system using an external rules engine. There are 16,000 rules around the one slice of the Medicaid program. All of those rules were developed and input into the tool by the state department. HP provided the tool and the repository and managed that, but the policy work was done by the state employees, so at least at that step that's possible. Yes.

John Petraborg – HP – Welfare and Benefits Expert
I'll break it into two pieces, Cris. I would say the externalization of the business rules to taking it out of the code, I mean the business case for that is serious and shown and so lots of folks are adopting that. The other end of using it as a means of transparency about what's going on behind the rule, that's still less of a clear business case. I mean it's certainly got a great public policy thing to say. It's great to be able to understand what's going on in the business rules, but nothing stops you from prescribing it in English anyway to start with and then implementing it in whatever rules. The speed at which you can do that, that or the degree of automated connection with them, the more you have is better probably, but it's not necessarily a barrier because it's not what saves you the time and energy. I mean if you can get a clear statement in English translate it into the tool.

The change when you have to implement changes, the high cost of that is a lot less costly if you have it externalized, but it's still costly because you have to test, retest and so you can't overlook the fact that even though you've got state workers or policy people making these changes you still have to re-execute tests, especially when you've got 16,000 rules that are impacting a business decision that the application is going to make and you've got to be able to do it in a way when you're thinking about something with a population of a New York or California. You may have four million or five million of these things to perform in an evening that you can't get so disconnected that you affect the performance of actually being able to get the thing done before the sun comes up. So you have to balance those two things. I don't know honestly if there is a business case that says we've got to have it where you can type it in English and it magically appears over here in the code.

Arvinder Singh – CNSI – SVP Health & Human Services
From CNSI's perspective, in 2000 when we were trying to approach the Medicaid MIS system we basically challenged ... saying we need to make actually all of the payment policy rules into a rules engine. At that time we were challenged with all sets of issues around performance and scalability, but we now today, across the multiple states that we are running, we have been successful in deploying a rules engine centric, claims processing system. So from a pure implementation and a success perspective, CNSI has lived through and has experience on what is the line of demarcation between a policy person engaging versus a non-policy person getting involved in the business rules space.

The other key aspect that needs to be looked at from a business rules perspective is how you use for your communication back to the consumer. The policy rules that you are defining may not be the language in which the consumer will still follow what you want to express. That, I think, would still continue to be a gap even if we were to fully embrace the idea of moving all of these policy rules in this abstraction there. The communication to the consumer about those policies would still require some level of transformation from a policy to something, which is a consumer friendly message. I don't think so both of them could be accomplished in one single policy shot, if you will.

Garland Kemper – Unisys – Health & Human Services Program Director
I mean I think what you're hearing from everybody is that we completely endorse separating the business rules outside of the transactional systems. We've all got examples of solutions that do that. We've seen significant benefit from doing that. In some areas there are certainly some implementation issues and it's not the ... for everything. One of the things, building on this translation to the consumer's view of the rules, the ability to do a self-directed interview process and understand the flow of information with the business rules and we're going to use the question about are you male or female to then ask the question about whether you're pregnant. If the user of the application can see that hierarchy of business rules it's usually a very easy and better interview experience if they can understand why we're asking that question. So I completely support that.

I do disagree with the original comment that vendors are disincentivized to provide these services in a transparent way. The reality is we're doing it already. I mean part of the mission of the solutions were providing is to really present to our clients and they can present to anybody they want, their business rules in a readable, maintainable format and so the policy person can update the rules. Yes, we have to go through the whole testing process and it is a very complex analysis to see where that rule change impacts, but we've included our clients in that analysis as much as possible and so I think that we all have tools that we think present our business rules better than anybody else's, but at the end of the day we like making our business rules transparent to everybody so that they can do the lion's share of the heavy lifting.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
I would agree with the panel that business rules and having a rules engine does make things a lot easier. I've been studying a couple of different ones and I find it very interesting when you're looking at cross program and trying to set up a rules engine to handle multiple programs, eligibility for determination. The lack of standards for cross programs, what they're calling different fields or how to calculate income you kind of have to end up asking similar questions because this is the way they need it or this is the way this group needs it. Still, it's come a long way and it definitely is a good tool to use. There is a lot of maintenance on these rules engines, like the 1,600 rules, sitting down with the policy person to make changes to the policy changes, you've got to figure out where the rule is, so the maintenance of these rules and how to incorporate changes is a real big factor and looking at the different products in the market and seeing what works best.

Arvinder Singh – CNSI – SVP Health & Human Services
The only other observation, if I may, is the fact that when you look at business rules we actually doing implementation sort of confuse business rules with system rules and process rules, so I think that's the

typical challenge from an implementation perspective. A policy person pretty much understands that isolated business rule that needs to be applied. How does it fall in the overall system ... perspective question asked what's your agenda and if that's the agenda I have a specific subsequent question, so there's an element of flow or sequential overall end-to-end flow.

I think doing implementation of rules engines our implementations tend to mix and match business rules with system rules and workflow process rules. That's part of the reason sometimes the policy people start to disengage themselves from owning the overall rules set, rules criteria.

Cris Ross – LabHub – CIO
Right. I want to get to Gary in just a second, but I want to ask one question first, which is related to what we just talked about. You know, in our recommendations we didn't talk about business rules engines. We weren't talking about trying to say this is a particular programming metaphor or a tool choice. We were trying to get to the idea, and I'm turning to my colleague, Ronan, who was involved in this; we were trying to get to the idea of if there's a notion of reusability at a minimum what we were hoping to get to was the idea of being able to express what the rules were so that the rules didn't disappear into a database or into transactional systems so they couldn't be seen.

As an artifact of trying to be able to improve transportability and transparency in the health systems working, again, back to the question I was asking, did we get those three things right? Are we pulling out the things that will help this process go faster without having to rip and replace everything? We understand that putting a business rules engine into existing systems would be an enormous undertaking, so I just want to really quickly get that calibration around step away from the technology of the engine for a second and help us understand should, when the procurement process is going on, we be asking states and their vendors to do the extra work of codifying those rules and putting them in some form of repository or some sort of visible way that they can be used someplace else? Will that meaningfully advance speed? Will that meaningfully reduce cost? Is that the right question, Ronan?

Ronan Rooney – Curam Software – CTO & Cofounder
Yes. I think so, Cris. I mean I think that it's probably the area that we were looking at as we were, as Cris said, look at the rules engine as a baseline somewhere. In one sense it's a tool like Cobalt or JAVA or something else, but to look at the business ware or the business processes around eligibility and entitlement, so I think that's probably where the question is kind of leading, so how can we share those capabilities, as opposed to the purity of the rules. I mean the rules are going to support that functionality, but when all of the people, a lot of the people around the room have implemented systems like this it's a question of how do we handle the arguability part and the entitlement part. I think the third dimension is probably the one that our vendor brought up, which is the explanation part, because as you look at that from a developer perspective I guess you'll find you're building your rules and your processes in a way that's going to make the outcome explicable, just like designing a report for a transaction system. You can define the data that you want to put in, but you need to know what you want to get out. So I guess if we can talk a little bit about that process I think that would probably be helpful.

Cris Ross – LabHub – CIO
Yes.

Garland Kemper – Unisys – Health & Human Services Program Director
I'm sort of struck with one of the things that Tim mentioned and building on that. Years ago, as the data architect for the system in Massachusetts, too many years ago to mention, one of the things we grappled with was the definition of a systems unit. We all grappled with what's the business rule around how do you define a household composition. Food stamps does it very differently than anybody else. So that commonality and that ability to have a repository that says for food stamp purposes here's how we define household composition for TANF purposes, for Medicaid eligibility, for whatever the program and understand those cross program differences and work towards a mechanism to bring in more commonality I think benefits everyone.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
I used to do actually code for TANF, food stamps and Medicaid. The food stamp eligibility rules, they were always pretty concise. I mean they were the easy ones. It was the Medicaid and the TANF ones where you got in a lot of interpretation and not to mention standards and when you went from state-to-state you knew those were the areas that were going to take the most work, because the way people interpret the rules was very different. It always not caused conflict, but that's where a lot of the project risk was. That's where a lot of the effort was. Standardization to me across those areas was going to mention, can be very helpful and ... and also reduce the time for going forward with meeting our deadlines.

Arvinder Singh – CNSI – SVP Health & Human Services
I missed your question. There were three aspects between Ronan and your question, one being should we actually request whoever is putting up these procurements to lift code and document rules ahead of time. Using our limited experience, every time that has been done in an RFP process and saying these are the business rules and everything else, the actual implementation window is gone and re-validated and re-verified and re-done that exercise because there seems to be little trust in whenever that exercise was done. Is it going to eventually lead to the desired outcome? I'm not sure if I understood your question right. In terms of transportability, I think the first observation from Tim was absolutely valid. There is not a standard expression language that exists. The transportability of rules pretty much gets defeated from that perspective.

The first observation around what can we actually sort of approach that is typically with, at least with our limited experience, is that they're trying to create what we call rule sets, which are around between the states there will be certain ... rules that need to be enforced and need to be mandated and applied at a state level. Those rule sets could be something that could be packaged as a complete commodity and move between the different states. So if you're looking at the end-to-end process there are a gazillions of state rules, but then there are tens of hundreds of federal mandated rules. They could be all packaged together along with the data source, which is around the verification of interfaces, so if you're applying the verification of interfaces you're actually also applying certain business rules that enforce some of the things that are required. So those are potentially things that could actually be transportable at best in this whole world of trying to move around states and share some information.

Timothy Orient – Unisys – Health & Human Services Solutions Portfolio Mgr.
The context perhaps, Cris, might be again, I come back to one more useful thing, not that it's not all terrifically useful, the business use cases that are in here, because this gives you the business context of what it is we're trying to accomplish. If we're thinking about pulling out standards and keeping them in a shared repository it's these are the business rules that state X or county Y is using for income verification in the use case associated with that part of the eligibility. That way then you're at least giving us a way to categorize them and compare apples-to-apples and then you might be able to then use it to drive some of the other stuff that we talked about earlier that, okay, if we're looking for common; I'm pointing to these guys over here because they own all of these verification interfaces that we were talking about before; if we wanted those guys to come up with the services around here is the use case that triggers that. Here is the business rules that folks are using about that, so here is the verification interface. The service that you're going to build for us, this is some very important information for you to think about how to put that service together that meets the needs of the folks ... the system is not good to Jim's point a minute ago about what's the context of that community .... I think the use cases may be the vehicle for that.

Cris Ross – LabHub – CIO
Lynn or Gary, did you want to get in with a question?

Gary Glickman – OMB – Coordinator, Partnership Fund for Program Integrity
Yes. I just have a little different question on the same topic. It goes back to something Bryan said and the thought that is there a potential for states not to necessarily own, operate and maintain the systems, but if

you could separate the rules part out of it, which is really what distinguishes each state, could you have a transactional system that could be shared among multiple states and have that rules engine stand alongside of it be particular to each state and therefore, allow for shared systems and purchase those, not purchase the system, purchase transaction sets from a common provider.

John Petraborg – HP – Welfare and Benefits Expert
So in my conversations with the state I mentioned earlier that was exactly where we started to go, as they've expanded their scope of what they were trying to do. They've tried to expand to a few other states where and how those rules could be used. Certainly, a lot of the decisions and rules that drive what they are giving to citizens is coming from the federal government, so it is, in my mind, kind of ludicrous that every state and possibly counties need to implement these rules over and over again. Why can't there be a shared repository, possibly provided by those federal agencies and then when state requirements need to override that they can be implemented in the same kind of fashion and re-leverage and re-use that effort so it doesn't have to be redone.

David McCurley – Accenture – Global Managing Director, Human Services
There are probably models already, Gary, in states that use the county administered; I know in California in the consortium that we work there are 39 counties involved and so we are absolutely using the rules technology to enable; there are some core eligibility components that are federally mandated and nobody touches those. That's being centrally administered. Same with the ones that are state, but then the pieces and parts that are allowed to be tailored, configured to support the counties, which include some degree of the workflow, some degree or a lot of autonomy in the workflow, some degree on the rules associated with particularly when you have to escalate and those kinds of things where there is some county autonomy in deciding how that goes, so there may be some very good models out there to look at saying this is a way where they've done that already. Now just roll that up and say what if you did something like that on a much larger scale with those concepts in mind. I think there are those issues –

Cris Ross – LabHub – CIO
Garland, you started with something about funding?

Garland Kemper – Unisys – Health & Human Services Program Director
Well, I did. I thought I was ....

(Overlapping voices.)

Garland Kemper – Unisys – Health & Human Services Program Director
The issue is right now, because of the silent funding mechanisms and the way that the APD process works and the funding for state system implementations, they're not going to do a transactional model. There's no way for a state to purchase an eligibility system on a transactional model.

Cris Ross – LabHub – CIO
But you could fix that.

Garland Kemper – Unisys – Health & Human Services Program Director
Absolutely. If you fund it that way we will come.

M
If you have ideas on how to fix that feel free to contact me off-line.

M
I guess one comment I was going to make; and I think we've kind of hit on it; is just the concept of how these rules are developed, again, independent of a rules engine or anything else, but just how you articulate them and that's why, back to the original comment I made about the fact that there's a lot of linkage between data verification sources and the rules engines. We get a lot of synergy there, but I think

just from the vantage point that I've had I think as we can start to figure out first of all at the federal level what are kind of the certified rules, however you want to state that, that there really theoretically should only be one interpretation of that, right? I mean it doesn't matter which state you're in. I mean the idea is if it's a federal program here it is and it's been worked to the degree, whatever spectrum you want to call that, that this is effectively a certified rule, in English, whatever you want to say and then people can take that and, I think come up with a concept that says, "Okay. So those are posted. They're certified." Therefore, as you're going to procure other systems and everything else that step one is to say I'm going with the standard version, the federal level, whatever.

Then you go to the state level and here's where I think the mistakes have happened historically is you take kind of federal things and then you kind of put your state spin on it and then you start to kind of couple those things together and it's hard to the go back later and separate those things out. So I think if there's a hierarchy and a processing rule that says here's the federal and now if you're state and you've got supplemental programs and you've got other rules and other concepts that apply, maybe within your state you post those. So, pick a state, Oklahoma, California, New York, here's the state posted rules. Here are the federal posted rules. Someone just kind of brokered how those work together to know what supersedes which or what processing order, etc.

Then you can even get into county specific. Then, as you move forward a new state is coming up and you can say, "Well, listen, I definitely want to start with the federal rules," and then maybe you just find a like state that says this state has very similar programs and very similar nuances to how it functions, either from a workflow or from programs, etc. I sort of couple those and then where I start to take my own off-ramp becomes a much smaller deviation. Then that's where you can get to that ultimate is if you want to have some kind of posting for even those. I just get worried too much if we get too far into the post everything; as we've seen, you can get lost in all of that and then you're not sure what you can really use and what's been certified.

Cris Ross – LabHub – CIO
Well, I love the practical advice that we seem to be getting here around, maybe we can start with something simple, like federal rules that can be then transported and re-used elsewhere, perhaps even put into some forms of computing artifacts, pseudo-code or whatever it might be.

I want to make sure we get to Lynn's question and Bryan's question and I think Jessica as well. Lynn, you've had your card up.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
... have been asked repeatedly are the three areas ... to get us where we need and can we get there by 2014. What's going to stop us from getting there?

I want to put a statement out and I'd like the reaction to it. I think we have all of the ... components. I think what we don't have is the description of how to build the end ... thing that we need to get to. A lot of what you shared today is sort of bringing those pieces together. I've heard use cases. David, I heard you say use cases and, Arvinder, I heard you say there's a difference between processes, business rules and on down the line. I think the gap that is missing is we have to have the use cases. We have to have the message steps that are the request and the response that make up that use case and then within each of those message sets we apply a set of business rules. That is the single thing, in my opinion, that's going to keep us from getting to 2014 because we have ... to accomplishing this. There's the governance and the policy pack and there's the implementation. If you get them the message sets they need with the business rules identified within each message set they can implement it in six months I bet. Technically it's that easy to do if you have the message descriptions of where you want to go.

The next ... is the policy decisions to be made at that point in time. I'm not sure that we have clearly articulated that glue, the way that has to happen. I don't see anywhere where we've said who's defining these message sets and what date are they going to be defined by.

Cris Ross – LabHub – CIO

We requested the reference implementation, but nobody has actually said this is going to be how it's done and this is who's going to be defining what goes into them—

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect

And in my opinion that is the thing that will keep you from getting to the 2014 date.

Cris Ross – LabHub – CIO

So it sounds like our standardization is too high—

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect

Yes.

Cris Ross – LabHub – CIO

We're standardizing the fact that we need standards—

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect

Yes.

Aneesh Chopra – White House – CTO

Right. As opposed to things ... let's get to Bryan's question. I think that's a great point. Let's get to Bryan's question and then I think in the interest of time, Sam, we're getting near the end. I'd love to hear sort of a conclusion based on what Lynn just said and I'm sure what Bryan's going to say.

Bryan Sivak – Government of D.C. – Chief Information Officer

Actually, this might be more of naïve comment or question rather than something insightful, just because I am not an expert in these systems. I'm a technologist. But I sat down with one of the guys in D.C., who is responsible for our MMIS system a couple of weeks ago because I really wanted to understand what portions of the policy that we had kind of built in terms of business rules and stuff into this system was actually portable between different jurisdictions and different state and he looked at me and laughed and asked if I had ever read this thing called Title 12, I think it was or Section 12 or something like that, which basically defined all of the federal rules for eligibility for this program and things like that and then explained to me historically that it started off with a relatively simple statement of who was eligible and what the benefits were and then over time and over lots of politics there's gotten to be this massively complex thing that's actually completely unreadable by a human. I actually went to read it and it's one of these things where it's like replace this comma with this paragraph. I mean it's ridiculous.

Then he said that every state then takes these things and adds their own layers on top of that and that just intensifies the complexity. Then you have county regulations and local regulations. I mean it's just kind of ridiculous and it makes it very, very difficult to actually implement something that is transportable or portable or reusable or anything, because nobody can understand themselves.

He said that when he gets on the phone to ask a question about even the federal regulations they have to have 20 people on the call because each one of those people is an expert in each section of this title and nobody knows what question is going to be on it. I mean it's crazy.

So I guess my question is can we, do we have the opportunity; I don't even know if the right people are in the room to answer this question, but is there an opportunity to kind of start over and just simplify these rules right now? Maybe it's naïve. I don't know, but it seems to me that we have an opportunity right now to kind of start from scratch and say, "Hey, we could make this simpler and in doing so, make 2014 eminently possible along with all of the other stuff that we're doing."

Cris Ross – LabHub – CIO

That would surprise me too ... if we came back and said ... it would be good though. I like that.

Bryan Sivak – Government of D.C. – Chief Information Officer
Like I said, it might be a nice question, but it strikes me that this is something that we could actually have an opportunity to do and if so, we could make everything work much, much better. I don't know. Anyway—

Sam Karp – California HealthCare Foundation – Chief Program Officer
We've got a suggestion over here about how to cut through these rules and make them enormously easier. Bryan's observation that maybe this is not achievable because it's such a Gordian knot that we need something very different. We would love to hear some of your concluding comments. Give us your advice about what we ought to do. John?

John Petraborg – HP – Welfare and Benefits Expert
Yes, I'll start. I think that the opportunity that the new Medicaid category creates to start fresh and start over with a clean sheet, with standard national eligibility standards could create that opportunity to then flow that down. I think if we start with the ... that we have and try to clean it up we'll be here forever. So let's use the opportunity to implement Medicaid by 2014 with a fresh approach and a fresh way to go.

Garland Kemper – Unisys – Health & Human Services Program Director
Could I just add one thing? It's not just Medicaid. I mean I completely agree with everything you said. I just want you to add to that and integrate it with the eligibility system for determining whether or not you are eligible for a tax credit, so it is the eligibility system for individuals—

John Petraborg – HP – Welfare and Benefits Expert
And CHIP—

Garland Kemper – Unisys – Health & Human Services Program Director
And CHIP and 400% of all of these subsidized insurance products, so I agree with everything you said, just link it if you would.

M
It's really around then taking what is a low-hanging fruit in some ways, because it's clean. It's fresh. It's a discreet population and fixing that and then flowing it out.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Let me just add to that because there's one thing we didn't get to that we spent a lot of time in our workgroup, in the tiger team and then the workgroup, talking about is—and I like the fresh perspective because we don't have a clear, unambiguous way currently to express the decisions that get made as a result of the rules to individuals and to families. John, add that to your idea of starting fresh. How does that then get translated into not just human readable? I'm talking about understandable. You're not eligible, and this is why.

John Petraborg – HP – Welfare and Benefits Expert
Right. Again that's part of rethinking the whole process, so it isn't so much around an agency decision that has to be communicated as much as an interaction with the portal where you are engaged in the management of that outcome. If your information is discrepant, you're asked to help resolve that discrepancy, and you understand that. That's communicated to you. You understand then, at the end of the day, what the result is and why that result is there. So it isn't a post fact of communication, but you're engaged in the decision-making process.

Jessica Shahin – USDA – Associate Administrator, Food Stamp Program
Could I just say one thing?

Sam Karp – California HealthCare Foundation – Chief Program Officer
Yes, Jessica, please.

Jessica Shahin – USDA – Associate Administrator, Food Stamp Program
I love that John brought up that we have this opportunity with healthcare reform because Brian is absolutely right, but that was law, and there's this new law, and the communication of this, as you're saying, Sam, is extremely important. I don't know that it has to be so much. You can even take it a step further about not talking about what you're not eligible for, but talking about what you are eligible for because the point is, there are some buckets. And you're going in, and you're saying, do you fit in this bucket? If not, you fit in this bucket. So it's not a matter of what you're not eligible for. It's a matter of what you are eligible for. That kind of communication turns all of this into a much different story, I think.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Very good point, near universal coverage is what we're talking about, so let's no lose sight of that. Thank you, Jessica. I want to save 20 minutes for our conversation about privacy and security, so any burning last thoughts, comments?

M
The only thing that I would say, which is a combination of what Brian and the other observation that was made is that what you can accomplish today is take your federal rule set that exists today, simplify it, and use the messaging framework as your reference implementation. I think anything beyond that would be saying, can I recode the entire tax law and make it simpler? The very fact is, this will always remain a law, and you will require some level of translation to make it into a consumable information that the consumers can understand. That will unfortunately always be the reality. There are lawyers who write these policies, and then they eventually need to be translated into a common man language, if you will, and that will continue to be an exercise.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
That's why you version your messages so you can accommodate those changes.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Lynn, could you say that? I didn't hear.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
That's why you version the message that's in the components in them so that they can be changed moving forward to meet the evolving policy.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Let's move to our last topic for this morning, privacy and security. And I'm going to turn over, leading this session to Sally Milam, who led our tiger team on privacy and security.

Sallie Milam – State of West Virginia – Chief Privacy Officer
Let's talk first about those systems that you have that are actually consumer-facing. Each of you could tell us about your systems that are consumer facing and give us a sense of what portion they are of all of your systems, like percentage wise, something like that. As you built those systems, if you utilized any specific privacy and security architecture that helped inform the different controls and services for those consumer-facing systems. Then let us know how difficult will it be to give consumers access and control over their eligibility and enrollment information where they currently don't today.

David McCurley – Accenture – Global Managing Director, Human Services
I'll put some out. In a large percentage of our health applications in the commercial health space where we provide for health plans, etc. that do eligibility enrollment, there is, depending on the organization, a rather high degree of consumer involvement in helping to manage that information. So, from a security and privacy perspective, we'll have to get to an authentication standard that we're comfortable with that

says, yes, this is Dave McCurley, and he is authorized to make these changes. That's one layer. Then a second is what are the kinds of information? Am I allowed to either restrict access to, update on my own, or provide information, supplemental information, verification information, etc.? Those are the areas of rules that you will that go along there.

Again, as with a lot of these things, the approach you guys are taking by defining standards is probably the right way to go. The technology is probably not the barrier. It's in fact, an enabler to try to figure out how to do this because I think the technology stuff is there to allow you to do it. The challenge is going to be educating consumers and having consumers participate in a way, and making the choices simple enough so that you don't have consumers inadvertently by saying I want to restrict access to this piece of my data. Now all of a sudden you've taken them out of play because we've got some interoperability going on now because they've just said, I don't want anybody to be able to see this information. Now I'm not eligible for this program. There's an unintended consequence because that information is not only going to be provided to this interfacing agency over here, and I'm now not eligible for this other program that I might be eligible for if they saw all that.

Part of the balance we're going to have to make is there are literally hundreds and hundreds of data choices that we could make about, as a consumer, I don't want anybody to see that. I think from our perspective and our experience, break those into usable categories to make it simple for a consumer to say, this is the kind of information. This information in category A is information that's shared with other eligibility programs, and you can opt out. We won't send it to those, but you won't find out about these five things if you opt out. If you opt in, we're going to do, and this is the purpose that we use that information for, so it's clear to the consumer about what they're participating in or opting in and out of, as they make those changes because I think that could be an area of unintended consequence, as we give more consumer directed approach.

Accenture does, we call it a global cities forum where we'd go out and actually interact with citizens on a global basis every year and ask them about the relationship they have with government, government agencies in a variety of different areas. One of the overwhelming things that has come out of that for the last five years, as we've done that, is they—consumers, citizens, families—want control over the information that they share with the government and what the government does with that information. It's very clear that that is something that they understand, that there's value in that, and they're worried about that. But they also understand they have a responsibility when they do that, and they're willing to sign up for it, which says I'm responsible for making sure it's accurate, making sure that I'm—and owning the fact that if I tell you, you can't use it, and it has consequences, I own the consequence too. I think what we hear back from those guys through those forums is they get that model. They want it clearly explained, but they're willing to take and step up to their role.

Sallie Milam – State of West Virginia – Chief Privacy Officer
Does Accenture utilize a specific privacy or security framework to inform those decisions?

David McCurley – Accenture – Global Managing Director, Human Services
Again, we have a variety of frameworks and legacy applications that these things are bolted into on both the private and public sector. Our newest frameworks are doing a couple of things that I would say in our APSP model we talked about before. We're really isolating the security products from the security process because, if you think about how frequently, you think about how often you get an anti-virus update, security and privacy products underneath it are some of the fastest changing of any in the IT industry just because there's a business incentive for folks who try to break them all the time. So we deliberately isolate the process from the product and, to the extent possible, use rules to enable how you do that so that we can make change to that as simple as possible. The framework is all used service oriented service models, and again, then isolate the product and use business rules on the side to define access control, etc.

M
The comment I was just going to make kind of along the same lines was specifically to question number one up there is around having unintended consequences when someone is trying to own their data. Do you allow people access? Yes. What types of information can be own, control, modify, etc.? All great notions until you have an unintended consequence that I didn't realize by changing my address, that puts me somewhere else, or updating my dependants, that suddenly kicked me out of a particular program. I think those are at least some of the conversations that I've heard.

As you're getting into the self-service model is exactly that whole thing about not only where will I share my information, but if I am updating any of my information, that's all great as long as it does not have unintended consequences that I didn't mean when I was updating this. So there's always kind of this concept of let me control everything until I hurt myself, and then protect me from me kind of a thing. So I just think there's always a little bit of a play there, which comes back to the involvement of, well, you're talking county, state, or whatever is. Where do you draw those lines to allow control of your information? Who sees it? Who accesses it? Who gets to change it? What are the outcomes of doing that type things? That's just sometimes a dilemma that struggles, as you move down that path.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Do any of you guys actually have any actively consumer mediated like cross-domain, cross-agency authorization in place with any of your products or, I guess, deployments?

M
I'm not sure I actually understood the question.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Where a consumer will actually authorize another agency access to the data that they have at an existing agency or a separate agency or IRS, SSA, DHS, whoever?

M
I don't know if you've seen. I'm not sure if it was this committee or one of the other committees. But the demo that education has done in terms of the federal student aid application. It is a consumer mediated transfer of information from IRS to education.

M
Right. Yes.

M
Yes, so not on specifically that topic. The one thing I've seen just on a personal level was what I thought was interesting is if you're going to for loan information on the banking side of the world, you can, with your employer or other places, sanction. What I got was I didn't know I could do this was get a temporary identification that I could then give to the lending agent to say, for this little window, you can go in and find out about my income to move me through the process. It's temporary, and then it closes. The concepts are there. I just have not seen them personally in play within the health and human services ….

Sam Karp – California HealthCare Foundation – Chief Program Officer
We have included that concept in terms of our recommendations with respect to third party proxies, whether it's a family member, a caregiver, a provider, a community-based organization, back to the CBO model of assisting families. One of the questions in that was, I think you all responded in reading your documents that everybody has audit logs. Could you make those audit logs easily accessible to the consumer so that if I grant proxy on a limited basis or not, I could actually see what occurred?

M

That would be an actual requirement of the privacy law that if you're giving an access to a third party to mediate on behalf of you, you would need to know exactly what actions were taken on that consumer's behalf. Can the systems do it? Yes.

Sam Karp – California HealthCare Foundation – Chief Program Officer
That's what I'm asking. I realize the requirement.

Sallie Milam – State of West Virginia – Chief Privacy Officer
Is it fair to say when you look at the different types of safeguards that in terms of a consumer facing model, we'll need policy and business rules built on all of these first before we can see how the technology will play out? Is anybody doing any of these safeguards currently in a consumer-facing model? We heard a little bit about health plans, but is anybody doing this like the department of education example? In IRS, we heard from where consumers are actually authorizing access to other systems directly.

David McCurley – Accenture – Global Managing Director, Human Services
There are commercial examples of that in place where, again, consumers are, whether it's authorizing access to their employment data, authorizing access to help data. There are a variety of those in place. They're generally accomplished by folks checking boxes on the forms saying, yes, I'm authorizing you to go get that. Whoever the operator of the process has been using that authentication or verification to say, to go back to the source and say, Dave McCurley just said it was okay for me to use this and get the information right. I'd say there's lots of that, whether it's—I can use your credit card number. Those kinds of things are all there, and the security processes that go around it are all there. I can't believe they're more complicated or less complicated than what we're trying to do here.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
The other statement I might make there though is what prevents the consumer from sharing a user name and a password or other credentials with that other third party and just masquerading as that person? I know there are legal ramifications around that, but there's also just getting your life done, and sometimes it's just easier to give that out to trusted people in your life. And what does that mean for being able to check what they did on your behalf while you weren't watching them. Do all these systems almost intrinsically need to have that audit log capable whether you opt into it or not because of that type of use case that goes on, whether it's your aging parents, disabled relatives, or other reasons that that's just the way the system works? That's what goes on today.

Sallie Milam – State of West Virginia – Chief Privacy Officer
Jim, you make an excellent comment that I want to come back to, but Paul has his name badge raised, so we need to go there.

Paul Egerman – Software Entrepreneur
Thanks, Sally. It's actually a follow-on to what your comment was, Jim. I'm just curious to know. You talk about masquerading is what any of you are doing for identity assurance or identity proofing to make sure whoever is accessing these Web portals is who they say they are.

Jim Tyrrell – Red Hat – Senior JBoss Solutions Architect
That's a really, really hard problem. It's almost impossible. The only way you can really guarantee something like that would be some sort of shared ID like a driver's license or something else that pops into a slot on that computer in front of you and has an exchange with some foreign server that authenticates that card is who you are. In the DoD, Red Hat is the world's largest provider of that CAT card infrastructure to verify who those people are. Short of that, there's almost no way that I can envision computer science to validate who that end user is.

Paul Egerman – Software Entrepreneur
Wait a second. NIST has the e-authentication standard. There's like four levels for consumer access. Are any of you using that?

M
Sure. There's multifactor authentication. You can biometric, a variety of things. Those kinds of devices are all available. Lots more thumb scanners. You've got a phone with a camera on it. There's nothing that stops you from taking a picture of your eyeball and doing verification that you are the person using that cell phone to actually do that. Again, those standards in various levels and layers are in place for a variety of different … practical.

Bryan Sivak – Government of D.C. – Chief Information Officer
What I think this boils down to is the political will to mandate that these forms of high assurance credentialing are required to access these programs. In D.C., we've been trying to implement this thing we call the DC One Card for a long time now, which is basically a single credential that will provide access to lots and lots of city services. Right now it's a low assurance credential. We don't require fingerprints. We don't require birth certificates or anything like that. But there is the high standard that we could conceivably use this card for to access things like programs that we're talking about today or some other, more sensitive issues.

The challenge that we've been facing is that we have not yet created enough value for the average citizen to want to give us their personal details that they are signing up for this. We're actually taking some really interesting, what I think are interesting approaches to this, i.e. looping in the private sector. Maybe there are some banks in the region that want a high assurance credential, and that would actually give some benefits to the consumer that they want to give us as data.

The other thing that we could do though is we could mandate that people who want to access programs like the ones we're talking about today have this card and have to actually go through the process of giving us their fingerprints and proving that they are who they say they are before we actually get to that point. That's more of a political question, I think, than anything else. But it's a huge problem, not just for this stuff, but for lots and lots of things that we do.

W
Henry?

M
You have to decide what the risk is of, I mean, what is it that you're trying to stop? In Spain ….

Bryan Sivak – Government of D.C. – Chief Information Officer
In Spain ….

Paul Egerman – Software Entrepreneur
One of the things they're trying to stop is fraud.

Bryan Sivak – Government of D.C. – Chief Information Officer
Sure.

Paul Egerman – Software Entrepreneur
Stop somebody applying and getting a subsidy for insurance under somebody else's name, and that's certainly one of the things you're trying to stop, and you're also trying to protect privacy. You want to make sure that somebody is checking on the status that they are who they say they are. You said, David, I think, that you have somebody with mobile devices. Mobile devices are very interesting. I understand the utility, but it strikes me that's very difficult to make sure that if you're sending something to

somebody's mobile device, you're getting the right mobile device. How do you know that when you intend to send something to Jim Borland's mobile device, but somehow it ends up at my mobile device?

Bryan Sivak – Government of D.C. – Chief Information Officer
I think that's kind of where we're at societarily in terms of evolving to the fact that, with technology, things have become somewhat nameless, faceless things out over the Internet or whatever, and then that heightens the anxiety in two-fold. One, how do I know that you're you, right, both directions? Then how do I trust that if I'm me, and I'm giving you permission for the information that you will use it responsibly for the specific service I've authorized you to do because, again, if I walked into my doctor's office, and I gave them my folder, there's a risk that they could go to the copier machine and go do a bunch of stuff. But in the age of technology, the risk electronically gets greater that that could be proliferated elsewhere beyond my control.

I always think it's just an interesting— I wish I had a really salient, great point to make other than I do find it interesting, as we've moved down this path of self-service and those things, and applying for services. How do I know that you're you and, yes, that there's some guidelines and some things that move you down that. But we've held onto some beliefs that just because I can physically see you and maybe walked in with two pieces of ID that I'm now convinced that's you, and I'll move down this path. So I just think we have to continue to challenge what is the reasonable way to verify that you're who you are and then, from there, how do you then authorize me to use information to provide you the service you're asking for, etc. I think you get the point.

Sam Karp – California HealthCare Foundation – Chief Program Officer
In the couple of minutes that we have left, let me deploy the Chopra concluding strategy and seeing at least Henry and Lynn to each ask their question, and then have final comments from the panel. Henry?

Henry Chao – CMS – CTO
It's not really so much a question.

Sam Karp – California HealthCare Foundation – Chief Program Officer
A comment would be fine.

Henry Chao – CMS – CTO
I think both Bryan and Jim Borland here has heard kind of my, what I believe as a pragmatic kind of view of this. It boils down to risk acceptance and cost because we can authenticate, issue credentials. We can ask the post office to be a central certificate authority, but what's the cost? I think the flipside of that is, well, obviously everybody is coming up with their own risk acceptance and determining the e-authentication or assurance levels, and then risk accepting down because they can't afford a multifactor solution for, for instance, in Medicare it would be something on the order of 1.5 million to 2 million providers, not to mention the additional 4 million healthcare workers and billing office people that you would have to issue credentials to. I think we have to really talk about it in this kind of a theoretical state that, yes, I don't think there's a lot of disagreement that it is a big problem, but I think, as IT folks, we work with the business side and the policy side to come up with some risk based processes to accept more risk because we certainly can't afford paying for that upfront. Lynn?

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
I think that at a fundamental level, security is the implementation of a set of controls that reflect confidentiality, integrity, and availability of the data. David, you made an important point that I don't want us to overlook. That's contextual because applying controls can impact or have unintended impacts. Again, the application … controls has to occur within that message. A particular message is being exchanged at a particular time, and then you can apply business rules. If I send a request over the line, and I know that I'm going to my doctor, I may say in this situation, yes, share this information. In this situation, don't share this information. Your system can program that because that's business rules into it. There are standards out there called the Web services interoperability specification and security

specification that allow you to implement those controls at that level. Have any of you actually implemented WSI security specification in your systems?

M
Not in a production environment.

M
Right, not in production. We don't have it in production, but our new architectures are all using those standards to think about expressing the security rules.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
So we're back to, within that message set, the definition of the security rules are a part of the overall business rule set that gets implemented within that particular ….

Sam Karp – California HealthCare Foundation – Chief Program Officer
Any last 30-second comments? I'm committed to ending on time here, so John and then Garland.

John Petraborg – HP – Welfare and Benefits Expert
I just wanted to mention one other risk we haven't mentioned here, and that is the risk of becoming a barrier to participation as well, and so I think there's been a lot of attention, finger imaging projects over the years, and kind of the tradeoff between the fraud prevention deterrents and the impact that it has on participation and outreach, and that's a real risk.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Important point. Garland?

Garland Kemper – Unisys – Health & Human Services Program Director
Yes. I was going to make exactly the same point. Realize why many of these Web enabled, consumer, self-driven portals, for lack of a better term, came about declining staff resources in local eligibility offices. If we could shift that burden out to third parties or the consumers themselves, great, so we want to incentivize people to participate and provide self-service options for them without those barriers.

Sam Karp – California HealthCare Foundation – Chief Program Officer
On behalf of the workgroup, let me thank you all for completing our questionnaire for being here today, for your candid comments. We much appreciate it. It was a learning experience for us. I hope for you as well. Thank you. We are going to adjourn now for an hour for lunch, and we will reconvene at 1:30, and ask everyone, please, to be on time so we can get our afternoon session underway.

(Lunch Break)

Sam Karp – California HealthCare Foundation – Chief Program Officer
We are going to get started with our afternoon session.

Judy Sparrow – Office of the National Coordinator – Executive Director
Good afternoon, everybody. Are the public lines open, Jim? Yes, so we're open to the public. We have Linda Skinner, who is on the phone, who will be making her presentation from the phone. But I think, if you all take your seats, I'll turn it over to Sam.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Thank you, Judy, and good afternoon, everyone. I think my colleagues on the workgroup will be lingering from lunch here over the next few minutes, but I want to get started and try to keep us on time. This afternoon's session is a session with representatives of four state Medicaid programs, and before I ask them to introduce themselves, I will say to them, and to our public audience and remind workgroup members of our discussing this morning in that this is the second phase of the enrollment workgroup's

activity, largely focused around supporting the administration's effort to implement the Affordable Care Act and, very specifically, the standards that the administration has adopted pertaining to Section 1561 based on recommendations that were made by this workgroup in September and endorsed by Secretary Sebelius.

This, it marks the beginning of our work in this second phase of support for implementation. This morning, we had a very lively panel of vendors representing the industry that currently, in many states, have developed, and operates and maintains eligibility and enrollment systems. The charge that we gave to them is really the same charge that we're giving to this afternoon's panel is that we want to understand as much as we can from your experience in your individual states about how you would go about implementing the standards, 1561 standards, which have now been adopted, where you see particular challenges in implementing those standards.

We have received the written responses, which we thank you for, to the questions that we asked. And have asked each of the four representatives to rather than to go through, section-by-section, to just initially start with a 10- to 15-minute kind of overview, a summary of their reactions to the 1561 standards. I'm going to ask them to introduce themselves now. We'll take them in the order of the introductions. As Judy mentioned, Linda Skinner from Arizona is on the phone, and so, Linda, I want to ask you to introduce yourself third, but let's start with Andy Allison.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I very much appreciate the opportunity to come and speak before the committee. We'd been, as Medicaid directors, watching and listening to the activity and working through our contacts on the committee to keep up. You've done a great deal in a very short time, so kudos for that. I'm the executive director of the Kansas Health Policy Authority. We are one of two independent agencies in the country that run the Medicaid program, at least for the time being. I don't expect that to last longer than a few more months, at least in Kansas. And was the Medicaid director prior to that, and have a health research and economics background before coming back to state service.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Toby?

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
Toby Douglas from the State of California, the California Medicaid Director, thank you also for inviting California to speak. In California, I served as the Medicaid director for the last two years. I've had also experience working at a county level and worked also at the county level on integrating eligibility between children's coverage programs, so it's something that both as a state Medicaid director, but also prior life worked on issues around eligibility, enrollment, modernization, so thank you for having me.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Linda, could I ask you to please introduce yourself?

Linda Skinner – Arizona DMS – Assistant Director
Linda Skinner, I'm with the Arizona Healthcare Cost Containment System in Arizona, or AHCCS. That's the Medicaid and CHIP agency. I'm the assistant director for member services, and I oversee all Medicaid and CHIP eligibility and enrollment in Arizona. I really appreciate the opportunity to talk about what we're doing in Arizona, what we've been doing, not necessarily looking forward to healthcare reform, but trying to survive in a very difficult budget situation. On my own, I have 43% less staff than I had 3 years ago, and so technology, even though I'm not a technology person, I'm a very old eligibility person, but technology is very important to us to getting our work done, so it's good to be part of these conversations.

Sam Karp – California HealthCare Foundation – Chief Program Officer

Linda, I'm sorry you're not able to be here in person to join us, but it sounds like technology has become your friend. Ivan?

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
I'm Ivan Handler, I'm the CIO of the Illinois Department of Healthcare and Family Services. That's the state Medicaid agency. We also do child support services. Let me say first, thank you very much for having me here. I think we all appreciate that here at HFS. Secondly, I want to second Linda. We are under a lot of pressure, a lot of staff loss, and other things, which we'll get to during my testimony, but I'm very excited to be here, and thank you very much.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Welcome. Andy, why don't you kick it off for us?

Andrew Allison – Kansas Health Policy Authority – Executive Director
Terrific. I have a two-part presentation. I apologize for not following for the format of the Q&A, but I do think there's most of the information that you're looking for is in the documents that I have for you. One is a synopsis of a presentation I've given umpteen times describing a new eligibility system that we're doing and why we're doing it, and how it relates in part to the work this committee and certainly how it relates to health reform. I'll go through that overview, and then what I want to show you is several selected pages from the request for proposal we now have out on the street to build an entirely new, ground up, Medicaid eligibility system, which we view as the IS base for the Affordable Care Act in Kansas.

First, assessing readiness for the Affordable Care Act. Our existing system, you'll see a little more about that in the RFP, is supposedly a combined system that was a transfer when it was implemented in the late 1980's or just around '91, transfer system from Arizona at the time. It really isn't appropriate to call it a system by modern standards. In many cases, it doesn't communicate with itself. I actually wrote a paper, an inquiry, and did this long series of research on enrollment before I came back to state service and visited the local welfare offices and watched as workers had to perform certain steps in the enrollment and eligibility determination process on paper and, as they had to switch between screens, which did not have automated prompts between them, so it is a misnomer to look and think of the current computerized technology that we have in system of record for Medicaid enrollment and for these other human service programs. It is a misnomer to think of it as a system. It just simply doesn't operate that way.

It's an aging mainframe. I think of it as having hardening of the arteries. Programs are written in a dead language. That's actually documented. You'll see that in the RFP. Paper applications are required. They can mail in. We do have a very large clearinghouse operation for Kansas located in Topeka, which is an assembly line application process. Labor intensive reviews, whether they're in the field or there at the clearinghouse. Labor intensive workflow management, the system doesn't do that for us, all system calculations and workarounds. It's very difficult to support additional eligibility categories. There is a lack of consumer interface. That obviously limits outreach, as I'm sure you've learned. It can support online electronic adjudication of eligibility for neither Medicaid nor could it do so for subsidies in the exchange. It is scaleable neither in the complexity of the programs that it operates or in the size of the programs that it can support. The result is we have tens of thousands of un-enrolled eligible individuals right now.

The challenge for us, looking ahead at a high level and, of course, you're getting very specific on this committee, and I'll share with you what I can so that you can learn from those more technically capable what they can share with you. We have to double the scale of our eligibility operation to handle both the Medicaid expansion and the subsidies. There's no question those have to be handled on the same system. I cannot imagine a dual process within a state. Most states are coming to that conclusion.

In one-third the time or less, so this will happen on an open enrollment basis, as it happens and occurs for your employer-based coverage for the vast majority of us, not over the course of a year. So you're doing twice the work in one-third the time. You do the math. There's no way we can hire enough people,

even if the system could support what was required. Of course, the integration that is so much a part of this committee's work that's required, we're thinking first and foremost, and that's CMS's new priority, the vertical integration with health insurance and the exchange and in Medicaid. But clearly we need to think ahead also to the human service integration and the disruption that would be caused in the meantime all in three-years time, at least from now. It wasn't three years when I first started giving this discussion.

We have a grant. You may be familiar with the State Health Access Program. It's a long, multiyear, series of grants devoted to spiring the expansion of coverage, and it's through the Health Resources and Services Administration. I actually worked on part of this as a researcher many years ago before I came back to Medicaid. This is the final grant in that series. Kansas did receive grants in the two previous waves, which documented the overriding problem of enrollment among uninsured children in particular, so the main issue for Kansas, and this was back when this was still news to others, the main issue in Kansas for enrolling and covering children is actually getting them into the program they're already eligible for. It's not an expansion issue.

Our project in this $40 million, 5-year grant, which we applied for last June and received in August of 2009 is to build a new system, which can support in a more efficient manner, and you'll see the specifications, the basis for a modern outreach process to get all of those who are eligible enrolled. We also have a fairly significant outreach component, including 12 out-stationed eligibility workers around the state who ultimately would be training hubs and coordinators to go out into the community and recruit volunteer help once there's a system for those volunteers to interact with.

Is there a visual, or are we just going through the paper? I'm leaping head. I don't know.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Have you submitted slides?

Andrew Allison – Kansas Health Policy Authority – Executive Director
That's fine. I'm on page three, slide number five, and looking at changing needs in Medicaid eligibility and outreach. This is the first of my pictures. It just illustrates for you the difference in the approach to eligibility and enrollment. The left-hand side of that slide is a picture of the current system, and it shows our clearinghouse on top and on the left-hand side, and it shows the—this is not bright enough. You can mail in an application. That's the bottom. You can visit one of the welfare offices. There are only 40 or so welfare offices. Kansas is geographically a very large state, and so then we have about four-fifths, five-sixths of our families and children enrolled through the clearinghouse based on a paper application, which right now, due to under-resourcing, is backlogged significantly with tens of thousands of applications waiting to be processed.

The right-hand side is what we're after. I won't go through all of the points of contact that we expect, but obviously volunteer community churches, clinics, providers of various types, as well as the existing mail in route, and all connecting through Web-based services to a common platform with a facilitated, online application process that more or less anyone can use. A smart system, that's the model we're looking for, more efficient, and really leveraging our community partners and not trying to do this with more state workers because we're not going to have more state workers.

For the technically competent among you, it certainly wouldn't be among me. Here's a picture of the conceptual architecture for the new system that we're procuring, and it's pretty much what CMS just described in its proposed rule, so this is service oriented architecture will be the first agency in the state with service oriented architecture. There's an enterprise service bus at the base of this, and you'll see more of the specifications, as we go along. But this is mostly for your point of reference. The HRSA grant objectives are to create full, vertically integrated, eligibility system for Medicaid and the exchange to create an online application. This will actually come first before we integrate, before we implement the full system that can facilitate presumptive eligibility screening for community partners.

We found that's a labor-intensive process for staff if you don't have a full proof information system to work through. You know that from the applications you all have done on the Web. If they're not leading you through and taking you back to a screen with the red star on it that says no, you've got to get this right before you move on, you're going to end up with some mistakes, and we're going to have to pay for those mistakes as errors ultimately the state versus CMS. There's been a practical limitation to presumptive eligibility in the task. This system will facilitate dramatic expansion, which of course, the Affordable Care Act then requires for hospitals, for example.

Then online adjudication, not just application, provide a base for seamless eligibility determinations between health insurance products using subsidies. Provide a platform that can be used as a building block for the future Medicaid management information system, MMIS. This system will be the eligibility or enrollment subsystem for MMIS once we also re-procure that in the next few years.

Then, of course, this is not just a nod, although it's a very difficult negotiation and process to go through, working together with our human service agency, which is SRS. You'll see that acronym again. I learned that was one of the original names for HHS was Social and Rehabilitation Services. Integrated process for the human service programs as well. It's right now an open question whether this modern architecture will actually be the base for the human service systems, which also clearly need to be re-procured. That's a debate in our state, and from what I hear in almost every state that I've talked with, this is a potentially damaging and almost critical, time-consuming debate. We don't have time for the debate, it turns out. So that's just the overview.

What I also wanted to share with you, and I don't know if this will not show up on the screen, is to go through, so you can see on paper what an RFP would look like that does, I hope, what you all are talking about and what the Affordable Care Act requires. That is in your packet. I don't think it translates very well to the screen, so we'll just have to go through it. This is the 297-page base. There are many appendices, and we are out for bid right now. Probably good that I wasn't here this morning, and so there are procurement rules in our state, as there are with most. But I can at least go through what's here with you.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Can I ask you, Andy, to do that in five minutes?

Andrew Allison – Kansas Health Policy Authority – Executive Director
I can. In fact, I don't want to go through all of this. This is really for your reference. I want to point you to the purpose that we begin with. KMED System, that's the name our staff—identify the KMED System shall feature the following the high level functionality. You will see there, I hope, the requirements in the Affordable Care Act and find somewhere that link to the requirements in this committee. I will point ahead as well, so the information systems shall capture electronically, to the extent possible. It will have a configurable rules engine. Later it talks about, in number six, the sets of rules within the rules engine shall be easily manageable by our staff, non-technical staff, and not require a level of expertise that would hinder the ability to implement, alter, and maintain current and new programs.

It should support all programs. It should be the base and expandable to support the Affordable Care Act. This funding only supports the Medicaid eligibility system. We will have to add funding and components and models for the rest of the health reform process. New systems shall offer business intelligence, capacity, ad hoc reporting, multi-tiered security apparatus, etc.

The next slide points you a couple of pages back because there are many questions about the current system that we have and what its capacities are, and that assessment begins on page 16, if you look at the upper right-hand corner, 16 of 297. Current business processes for Kansas Medical Programs, we are the single state Medicaid agency. We came from a larger human services agency who still operates the system and the county, local offices. We don't have one in every county any longer. So that means they handle all of the elderly and disabled process. They own the system and operate it and do about

15% of the family and children in that process. It's shared. We have the eligibility process, policy and, of course, the Medicaid designation. You see there, describe the clearinghouse on page 18 for additional reference that we operate over 110,000 of our folks, of our beneficiaries managed there. The SRS service centers are described and so on.

Then on page 21, at the bottom, we begin with an explanation of what the limitations of our current system are and, therefore, what the goals of the new system that we're procuring should be. System inflexibility is a key problem or challenge number one; high level of expertise needed to administer the program, challenge number two; limited system capacity, dramatically limited system capacity, number three. Limited system accessibility, we really don't know what's going on inside there, and have no tracking capacity for workflow, for accountability, for measurement of eligibility related outcomes, limited reporting and then inconsistent, error-prone processes.

At the bottom of page 25, you'll see a description. It talks there about the language that our current system, KAECSES AE (Kansas Automated Eligibility and Child Support Enforcement System). I have no idea what AE adds to that. Automated eligibility, that's a misnomer. COBOL, you can see there probably no better than I do how this thing is written. The problem is that when we ask, when we have in the past asked for system enhancements, for new eligibility categories, even just a couple of them, you get estimates back of man years of programming required. Apparently the men aren't there, so this is a problem.

Then the last that I'd point you to and then just leave it for questions and the other presenters begins on page 184, the interface requirements. Several pages of interface is required, I thought that might be relevant to your committee's work that we're procuring here, and so it refers to the national information exchange model and item number 22. There are references here, I think, to the security that's required. It interfaces with whatever the federal government creates, and it's pretty clear from the Medicaid conference that Toby and I just came from, the commitments from CMS and from HHS to really create for states that simple interface for all of the Social Security Administration, INS, whomever, whatever. We just need one thing to plug into.

I would, with all of that.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Before we move on, I should have said this, but I wanted to ask people to hold their questions. But if somebody has a burning question that they want to ask Andy, we could take a couple of minutes to do it now.

Andrew Allison – Kansas Health Policy Authority – Executive Director
Let me just close. Let me add this. We released the RFP. You can see the date at the top of the page is October 7th. In the CMS notice of proposed rulemaking, and if you look in the middle where it talks about how costly this will be for states, it estimates how long it takes to implement a ground up system like this. Guess what their estimate is? Three years, which is to the day, well six days minus, our deadline for go live, which is October of 2013, which just gives us then three months to enroll the however many hundreds of thousands end up coming through Medicaid and the premium subsidies in Kansas. So we released the RFP the last possible date we thought we could release it and still succeed, and we had a year to write the RFP and go through the challenges, some of which I've referred to, to get to release date with money in hand. Just as a point of reference for where other states might or might not be.

Sam Karp – California HealthCare Foundation – Chief Program Officer
For which isn't not Kansas. Toby?

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
Thank you again. I'm going to start with some general comments and then try to address some of the questions that you submitted to us. First of all, I just wanted to say that California is really supportive and

applauds the breadths and the depths of the recommendations that the workgroup has developed. We're very supportive of the efforts to make enrollment more streamlined, transparent, accessible. If we're going to enroll upwards of four to five million more newly eligible Californians, individuals who aren't traditionally going to have access to social service system, we need to make the enrollment process more welcoming, more user friendly than we know of it today.

We, as you'll hear from some of my comments, we're struggling right now with disparate systems, programs, different efforts at the federal level. What we need and what we welcome are definitely efforts to standardize the process, the data elements, electronic verification. Those would be efforts that would really help us moving forward. As Andy mentioned, we're also very, very supportive and welcoming of efforts where there are reference to applications, approaches that we can just plug into, and use services that we could then further modify. Those are overall.

Now just to give you the context of where California is, and it's definitely in a different place than Kansas, we are structured. As I said, I am over in the Department of Healthcare Services, over the Medicaid program, which is housed in the Department of Healthcare Services, our TANF program. Our food stamps is administered by our Department of Social Services. We do take advantage of 1931B option, so many of our—the transition between our TANF population, our CalWORKs population, they still go onto our Medicaid program, which goes up to, for families, about 130% of the federal poverty level.

Now in terms of the administration of eligibility, the way the process works is we have our counties, 58 counties doing the eligibility determination for our Medicaid program. They are consolidated in three different consortia that have different eligibility systems to administer and process the eligibility for Medicaid. We also then have what's called our meds system, which is, in a sense, a case index where all the cases for MediCal, as well as for social service programs, is a composite and a client index that is consolidated and met. So you have three consortia systems, statewide automated welfare systems, plus meds talking to each other. Then our SCHIP program is administered by another department, which has its own eligibility system run, administered by an outside vendor, Maximum, at this point. The three consortia are joint powers agreements, and they are run by Hewlett-Packard and Accenture, and then Los Angeles County has its own system right now that's operated by Unisys.

In terms of our involvement of community-based efforts and online enrollment, right now we have one statewide online enrollment application, which is called our Health App, which is a very robust application that's online that serves very similar to a Turbo Tax function where it's interactive. Individuals can apply online. It's rule-based, and it takes them through the application. But this is only for our MediCal for children, as well as our health families program. All our adults are still through paper-based applications.

Now two of our consortia are developing online applications. Right now they receive grants, federal grants through the U.S. Department of Agriculture for the SNAP program, and they are building out online applications. At this point, they aren't the same interactive process. They still will require workers to do paper follow-up. The Healthy App also does allow, for example, paper, for implementing, faxing in all the papers electronically, so it can be end-to-end, an electronic process for the children.

Meds, as I said, is a 40-year-old system, our case index, the med system, which is based on a legacy COBOL programming. The … systems, two of them are based on service oriented architecture, but when you look at modifying and bringing it to the present, meds definitely would be a tremendous feat to take the meds system from today to the direction that your workgroup, as well as what's coming out now from our colleagues at CMS, as well as OCDI, to be able to modernize that. The SAS systems, we could get them there, but again, it would be not as big of a feat, an accomplishment as our med system, but they are based on older systems that would be very difficult to modernize them, which really gets me to just the overall comments.

The challenges we're facing, and Andy started to lay it out in the three-year window is, given the enormity, the complexity of California, of five systems when you have the three automated welfare

systems, meds, plus our healthy families, that's five, and then you add in the exchange, how are we going to get from today to 2014 building off the systems we have in place? That's the challenge. We don't have the answers yet, and this is something that we, as a state, are both endeavoring to push for, but we're struggling, given the systems that are in place, the dynamics of the state/county relationship. We are also now trying to absorb and determine, based on the guidance that just came out from our colleagues again at OCDIO and CMS, the requirements about the 90/10 funding. Many of those outcomes and goals are making us think through how are we going to be able to achieve 90/10 based on the current infrastructure? Is it possible, or is that driving based on requirements on reusability, not paying for cost twice, the fact that it has to be point in time enrollment, end-to-end has to happen in real time are all questions. Is it even feasible at all to build off the current architecture? I think I'd leave it at that unless you want me to go into the detailed question you can read that are beyond my level of expertise.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Any questions for Toby before we hear the next presenter? No. Linda, why don't we ask you to go third?

Linda Skinner – Arizona DMS – Assistant Director
I appreciate the previous two speakers skipping the very technical sections, and I'll do that too because I don't actually know what they mean. I want to talk a little bit about where we are today in relationship to the issues you've been discussing all day. I was listening this morning, and I don't think that, in Arizona, we are prepared to start fresh with new systems. I think we are going to want to build on what we have today. As you'll see, it is an odd collection of things, but it's working well for us, and we can see from that where we can go. And so I'll walk through how that looks.

Arizona administers Medicaid, CHIP, SNAP, and TANF at the state level. Access, the agency I work for, is responsible for Medicaid and CHIP. Our sister agency, the Department of Economic Security, is responsible for SNAP and TANF in Arizona. However, our sister agency also determines eligibility for us for about 77% of the Medicaid population, including families, children, pregnant women, and a couple of waiver programs we have for childless adults and medical spend-down. Then here at Access, we determine eligibility for long-term care, age/blind disabled programs, Medicare savings programs, and CHIP.

For us, community organizations play an ever increasing role in our eligibility determination. In 2002, a consortium of federally qualified health centers, FQHCs, brought the California Healthy App software to Arizona, so thank you, Toby. It was a lifesaver for us. The FQHCs, they worked with Access and DES to adopt it to Arizona rules for Medicaid and CHIP, and we implemented the Healthy Arizona system. Some of you might remember, I did a demo of that a few months ago for your workgroup.

Healthy Arizona is an online application that's used by trained assisters in the community, and they use it to electronically apply for Medicaid and CHIP. Information is collected through the information, and it gets transmitted to the appropriate eligibility office. Signatures are collected on an electronic signature tablet. And, in 2006, we added SNAP and TANF to Healthy Arizona. It also screens for several local medical discount programs and for sliding fee scale programs at the FQHC.

This FQHC consortium actually funded the entire project for Arizona, and they developed a model where the organizations who use Healthy Arizona to assist consumers with applications, those organizations pay a subscription fee, and that subscription fee is used for both system development costs and for costs of maintaining the system. Then the consortium transferred the Healthy Arizona license to Access in 2007, and we manage Healthy Arizona in cooperation with our sister agency, DES, with Social Interest Solutions, who maintains and develops Healthy Arizona, and with our other community partners. To date, the state puts very little money into the Healthy Arizona system, and has never specifically funded it.

Today we have 68 subscriber organizations in about 200 different locations who pay a fee to use Healthy Arizona. These subscribers are currently submitting over 8,000 applications per month or about 6% of all

our applications. Subscribers have access to reports, work management information, and they have direct contact with Access and DES eligibility staff so that they can resolve any issues keeping the application from being completed. Medical providers who subscribe to Healthy Arizona have a very high degree of success in converting uninsured patients into covered Medicaid or CHIP recipients.

In Arizona, there's no single state repository of information about consumer enrollment. There are separate databases in the individual eligibility systems, Access and DES, as well as Healthy Arizona and Access, our MMIS system. In December 2008, we implemented Healthy Arizona for public access. Consumers can apply online using essentially the same tool that subscribers use. They establish an account and a password, which, in conjunction with verification of their identity, becomes their electronic signature for us. They are able to fax verification to the system. Very shortly, they'll be able to upload scanned documentation to the system. The application and the documentation are all linked together by a barcode, and they can also do re-determinations through the system. Applicants for Medicaid and CHIP do not have to come in to the office, although SNAP applicants can do their interviews by phone, but they need to come into offices for finger imaging.

Public access to Healthy Arizona has been a huge success for us so far. We've done essentially no outreach for this product other than we have linked to it on our various Web sites, and we tell consumers that come into the eligibility offices about it. In 2009, the first full year of public access, we received over 192,000 applications. In 2010, we are on track to receive over 428,000 applications. We'll get another 77,000 applications through our Healthy Arizona community subscribers. So this represents about 34% of all Medicaid and CHIP applications coming in electronically.

We survey, after the completion of every public access application, and we get about 2,000 surveys per month. We sue that data to identify and prioritize new development for the system, and I think one of the most interesting outcomes of this survey is that 74% of all survey respondents are accessing Healthy Arizona from their own homes. So for people who think that the Internet is not for this population, it apparently is today. We get hundreds and hundreds of thank yous every month from people who are so grateful that they no longer have to go into an eligibility office to apply for benefits.

We do consider public access for Healthy Arizona to be a recent innovation. We have lots of improvements going on all the time. By the end of the year, consumers should be able to scan their verification, and we have a whole series of improvements for accessibility going in by the end of the year. We're currently also evaluating Healthy Arizona as the front-end to our sister agency's very old eligibility system and potentially for our much newer eligibility system, Ace. DES uses Aztec, which was implemented in 1986, and they used that to determine eligibility for Medicaid, SNAP, and TANF. While we're evaluating the possibility of making Healthy Arizona the front-end to these systems, we're also going to be looking at opportunities to use Healthy Arizona for healthcare reform, particularly the exchange.

One of the other areas I wanted to talk about was the exchanging data elements between healthcare programs. We do not use the National Information Exchange Model. But in Arizona, seven years ago we started developing our own data exchange mode, which we called TIPS. At the time, there were several local and national organizations developing public assistance screening tools, and they wanted to interface with our eligibility systems. Well, we didn't want to build a proprietary interface with everybody who wanted to interface with us. We needed a new interface between our new system at Access and DES's old system. So we created a standard set of eligibility data elements for Medicaid, CHIP, SNAP, and TANF. We notified anybody requesting the exchange eligibility data with us that they had to use TIPS. We spent six years now perfecting the exchange of data between the eligibility systems, ACE and Aztec, and Healthy Arizona. At this point, this process is very, very successful for us.

The biggest barrier we have today in exchanging data comes from consumers who are already known to our eligibility systems. So when we get applications electronically from Healthy Arizona, the data elements are driven into our eligibility systems through the TIPS interface. This works really well,

especially when the applicant is not known to us. If the applicant is known to us, it can work well unless there's discrepant demographic data. So if TIPS encounters discrepant data, it can't just push the data into our eligibility systems.

At Access, with our newer system, the eligibility worker can fix the discrepancy and then release the data into the system. But if it hits our sister agency's old system, Aztec, they have to move the data off to a paper report to be worked. But we significantly reduced the occurrence of discrepant data by interfacing with our MMIS system at the start of a Healthy Arizona application. Applicants are actually able to pull their demographic data from our MMIS system to insure that discrepancies for name, social security number, and date of birth get resolved very early in the process.

So for us, the biggest barrier of creating this exchange of data was really defining every single data element thoroughly enough that both agencies and all three systems could use it very well. That was a really difficult challenge for us. But today it works well. Actually creating the data file format itself was very, very simple.

Regarding verification interfaces, I don't think this is where we stand out necessarily. We have a variety of approaches, both agencies in Arizona have real time access to the … work number Web site. We're also exploring batch and integrated interfaces work number. We did create a Web site with the Office of Vital Records, and we had to implement the DRA citizenship requirements in 2006. And we get a monthly file of all the birth records from our vital records office, and the eligibility workers at both our agencies can enter information into that about the applicant and the applicant's parents and then get a confirmation whether or not the birth is known to the Office of Vital Records.

Our Healthy Arizona system interfaces real time with the postal service and our Access MMIS system. The only other verification project we have going on right now is we're doing work with our motor vehicle department, and we want to potentially access photos of Medicaid and CHIP members, and then link those to our 270, 271 Web site for Medicaid and CHIP providers, and so when they check eligibility and enrollment for an access member, they potentially would be able to pull up a photo and insure the person they're serving is the person whose photo they have, so very early in that process.

I will skip over all the business rules and privacy/security. I think we're satisfied with where we're at on that, and I included a lot of detail with the testimony document.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Thank you, Linda. Ivan?

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
Yes. I got notified of this a little late, so I was still working on some notes last night, and I'm primarily going to be talking about technology since I have a lot on my plate. What I'm going to try to emphasize are some things I think that are maybe new, I hope will be new, and we'll skip over the things that are not so new. That's my intention.

I thought, to start off, the first thing I guess I want to say is 2014 is getting pretty close. We all know that. I think it's important, at least from my perspective, that we do not completely focus our efforts on achieving that and forgetting about the future because there's a lot of potential benefit if we think a little bit more long-term, even though we may not get to all the goals we would like to by 2014. We obviously need to have a system that works. Part of what you have to do is just kind of take some of this in as advisement because I haven't really had time to really structure this as carefully as I would like.

But I want to start off with what I'm calling the main message I think that we could deliver here, and one of them is that ultimately we need to move away from what I'm calling an application orientation, that is where we buy or build large applications, each one with their own pretty much customized data repository

to solve particular problems. That's how we build silos. The problem with them is they're getting really big. They're complex. They're very expensive to maintain, and it's getting more and more risky to do this.

The other problem with large applications is you've basically, if you're someone like the state of Illinois, like I am, when you pick an application, you're picking something that's got some features that you really like, a lot of features you're not really in love with, and you're having to live with some that you really don't like at all because that's what you get. You're buying a monolithic product in a domain that's huge. So we think that that's a problem. The other problem is, io think it's time to start seeing repositories as separate services rather than as linked to any particular application because when you link them to applications, and then you have to later on integrate them, you again increase complexity, expense, all kinds of other things. In Illinois, we're a poster child for what happens here, though I think probably all the rest of the states are too.

The other thing, which is obviously, of course, is that standards are needed for interoperability. But the other thing I want to point out, and I'm glad that we're vendors here this morning is we really, in Illinois, we wrote our own MMIS 30 years ago. I don't think we want to do that again. We depend on vendors. One of the things that standards do I they allow vendors to say, if we meet the standard, we can sell in a large marketplace. When you have an application orientation, and everything gets customized, in fact, in some ways every state is a separate marketplace. It also inhibits innovation from the vendor community, and we need that innovation in order to move forward.

The other thing that comes along with this then is we don't want large, monolithic systems. We want modular systems. How do you do that? I would suggest you look at the Medicaid information technology architecture. It's out there. It hasn't yet been completed to the level I think we would like for reasons I'm not entirely clear, although we can guess. But it's a governance process. There's a process that figures what's in scope and what's out of scope …. There is a process that determines business requirements, business process modeling. There's an information architecture and a technical architecture, and these are governance boards. If this could be expanded across ultimately all of human services, we would have the kinds of modular standardization services, hopefully certifications, that would allow the vendors to start building things that are more compact and less risky, and they would give me Lego blocks, which I could actually put together without having to hire a gaggle of programmers, which turns Lego blocks into mashed potatoes. I think we've all seen that.

The other thing is that, as Rick Friedman mentioned at a meeting actually after the ISM conference, NIEM could easily become the basis for the MITA information model. It could easily do that, and it's a good idea, and it's a good way to merge two very important standards bodies that I think are very valuable, and I think this committee recognizes that. The other thing I want to mention was a little more radical, but I would drop the insistence on SOA and all the, what I consider, marketing stuff that goes along with that because if we're talking about what were talking about, we're going to eventually end up networking things between different clouds, and a service bus at that point is kind of like not existent or has a totally different role, so I think we need to think bigger because exactly when that's a good question, but I want to throw these out because I think these are important concepts.

Let me go on. In Illinois, just to be quick about what Illinois is all about, we have systems that are, again, over 30 years old, COBOL, IMS. Some of you in the room, I guess everyone is old enough, but I have talked to some people in technology who were not born when IMS was invented. The last time I saw it was in 1978 until I came to the state, so I've been kind of amazed, but this is common. This is common. I think most states have this.

We started a process to upgrade our MMIS a few years ago. We've now got a planning vendor in to try to deal with what it's going to take to actually upgrade our whole system. We're going to take advantage of new technologies because we have to. One of the things I like to tell people is that I'm sure there's at least one example of someone who was on the original team to write our MMIS, but their grants are already in long-term care. I'm sure that that's true. People are retiring. Knowledge is walking out the

door. We have to move forward. It's like we can keep our legacy system going only so far. These cannot be extended forever. We're already seeing serious problems in certain areas, for example, when claims reporting changed recently due to health reform. That stressed a lot of our old systems out in a very bad way. It's very, very hard for us to change a lot of our systems because of, again, staff loss, knowledge loss. These things are happening. I don't think Illinois is at all unique in this fact. In fact, I know we're not. So that's one of the things that we need to think about.

Of course we've got many other things that we're dealing with. We have the health insurance exchange. We have the health information exchanges. We have to reprocure our medical data warehouse. We've got to deal with the latest from CMS around the meaningful use reimbursements. I've got a lot in particular on my plate. That's partly why I'm kind of up here right now because what we're talking about is in the context of Illinois, a much bigger context with a lot of hard things happening.

As a result … Andy mentioned, I think, the other thing is that we're quite aware of the fact that given the time it takes to actually put out an RFP and get it for what we're going to do with our health insurance exchange, we are thinking heavily about we might want to transfer someone's that's working rather than try to figure out how to get our own going. We've looked at Wisconsin. We're hopeful that some of this can turn out. Mike Heading here, who is actually heading up that effort, can talk more about that if people are interested, but we haven't settled on anything yet, but it's clearly one of the options we need to think about. And it's probably not an option that's going to fit in with all the things I'm talking about here. We're aware of that. We have to be practical because we've got to get things done.

HFS or Illinois is very much like other states. Human services across several different agencies, two in particular, one is HFS, which is my agency where Medicaid and CHIP is processed, and then DHS, Department of Human Services, TANF, SNAP, and a few other things go on, and then we have a few other smaller agencies. So eligibility is handled by DHS, so all of our eligibility goes into them, which means when we need to changes in eligibility, they need to provide the labor to do it. Of course, they have things to do too. On one hand, integrated eligibility is a great idea, but it also causes a certain amount of resource conflict that we've noticed. And, of course, obviously modular business rules and stuff like that are something that's probably pretty obvious at this point.

One of the things that I want to talk about that I haven't heard that I think is a good idea to consider is the relationship to community organizations that are involved. For example, we insure all the children in the state of Illinois through something called All Kids. We have an application, and we actually have an online application, which you can fill out. It's pretty complicated. We also, therefore, have managed to incent many community organizations to help people through the process, so we call them AKAAs, All Kids Application Agents.

One of the things that a lot of our community organizations want to do is, like the Chicago public schools has their own system. They have all the information we need on any student to apply for All Kids. What do they do now? I'm sorry Eureka Valadar is not here from Transgen because they actually have the real benefits application. What happens is real benefits pulls the information out of their system. It then creates a paper application with all the information in it. It gets mailed to us. Then we go through the data process, and it's also like Andy said. It's not just data entry. It's green screens, swapping screens. It's not a system. It's a very complex, unbelievable, difficult system. That's what we're doing, and that's advanced, but obviously not where we want to be.

One of the things I'd like to point out is that if we could leverage those databases that exist in these nonprofits all around the state, a lot of the information that we're looking for is already in. We don't need to think about an online app to data enter it. It's there. What we need is a NIEM type protocol to transfer information in. That would allow us to leverage a huge number of resources. We think, in Illinois, between 500,000 and one million new people are going to come in, I'm glad I'm not in California, having those kinds of resources is very important because a lot of these people are very poor. They're not going

to get through the online apps. That's what we see. The community organizations that already serve them are in a really good position to help us out, which I think we need to consider very seriously.

Let's talk a little bit about the integration piece. I'm trying to go through this quickly, but we have a problem in Illinois. We've kind of resolved it, but the human services side looks at households. Medicaid looks at recipients. So we've already got a complicated interaction going to try to keep these resolved. Now we do a reasonable job, but it's not perfect. And it's a lot, again, there can be a lot of maintenance issues. We're up against a lot of inconsistencies, which we've got some ideas how to resolve, but they're there. These happen because of historical reasons. It's not a blame game, but this is how things have grown up.

The other problem, of course, we have, because we're talking about health insurance exchanges, is we only have these repositories for people who are already enrolled in state programs. People who are not enrolled in state programs, human services programs, we don't know who they are at all. When they come into the system, it's going to be a whole other issue here. So the idea of having maybe a single repository of citizens in the state of Illinois would really be a nice idea that would help us quite a bit, and it's something that on the table for discussion. Again, whether we can do it by 2014, I have no idea. Everyone is quite skeptical. I appreciate the skepticism, but I think we need to keep on pushing forward to see what's really possible.

The other issue, of course, is that we've got separate applications for distinct agencies. We've all gone through this, but again, one of the questions I have is do we really want, or can we have universal, online applications? In Chicago alone, we've probably got people who speak 30 different languages. There are a lot of different barriers to an online application. If you put it at the community level where the people are getting services, a lot of this could get resolved. If you want online applications, community organizations are already purchasing software to maintain their databases. If we had a NIEM type protocol, we could just specify, by the way, if you want to do this, that's fine. You have to have an online application also. That's what I would like. Why would I like to do it? Because it gets me out of having to do all this screen stuff, which is really maintenance burdensome, very expensive, and less the vendors have to take that issue up. And vendors are actually happy to do that if we can specify the standards.

NIEM, I think we've all been through this. It's clear that NIEM is really one of the critical components of a good solution. What I do want to mention because we had a little discussion earlier this morning, I believe that business process modeling is important in order to establish the NIEM types of protocols. Use cases are just too loose. The thing to remember here is even if you specify what I'll call an abstract business process, which they do in the MITA process, the way you certify software modules is going to be by testing the messages. You're not going to look actually at the business model. So if people want to innovate different business processes could still do that as long as things work—we get the same messages in and out. This is not specified in business processes is not necessarily a restriction, and it allows us to establish more context, which I think is very important moving forward because ambiguity, especially in large, complex systems, ambiguity is the enemy, without a question.

With Web services, well, we're not using. I mean, we'd love to use them. We're not. We're doing data sharing on a case-by-case basis. I mean, we're way back in the stone ages. It's inefficient. We have poorly defined interoperability standards, if we have any. I know there's one case somebody decided to use JSQL as an interface to an old, basically VSAM system, which probably none of you know what it is. It's pre-SQL. It's just people are improvising on things because integration is so difficult.

The other thing I want to say is Web services is not enough. This is the reason why the MITA process is important. You need to define standards that house the Web services because anyone can define a Web service. You can define it. Web services works with privacy and security standards. It's not necessarily going to be interoperable. That's why you need a governance process because, if we're all going to share data, which we hope to do some time, we need some institution to control that to guarantee the

integrity of the process. We have the beginnings of it right now, but we don't really have it, and I think that's what's important.

The other thing, of course, is if we were to expand MITA to all the HHS programs, which I'm in favor of obviously, we need to start somewhere. Again, the ACA and its related programs seems to be an obvious place to start. Again, how far can we get by 2014? I don't know, but I do know whatever is going to go on, this is a good idea and something that we should really consider because it will save us a huge amount of money and give us a tremendous amount of interoperability, which is what we want ultimately.

For real time interfaces, I think one of the other things we can say is we think it's very important. A lot of our clients are very poor. They move around a lot. If you need someone to mail something back or to get back to you next week, that's not necessarily going to happen. So if you could get something, someone is going to come in. They're there. You get the application done right now. You're going to have more people enrolled. You're going to lose track of people. We know we lose track of people otherwise. Not that we don't have large enrollments, but I think that's one of the problems we have, so real time interfaces, great idea. We're in favor of it. We think it's a really tremendous idea. Again, leveraging the community, IT power and their repositories also would really help because, at the local community level, sometimes they're the ones who can actually reach out and find people much better than the state can.

Rules, we talked a lot about rules. I just want to mention though that the rules issue is complex because if you start talking about rules across human services, which we really should do, there are inconsistencies. There are dependencies. We need to figure out what they are because just taking English language, you know, simplifying rules for particular programs and putting them into a rules engine, by the way, it could just be another way of transferring spaghetti from COBOL into a rules engine. If we want things to work, we need to think on an engineering level about what does it mean in the total context? How do we go through a process where we can actually come up with the right kind of model, the right kind of hierarchy, something that's extensible, and then something we've already talked about, of course, is that there's currently about 56 different versions of federal Medicaid rules … at every state. We don't know that they're all actually identical. We know the Medicaid systems have been certified, but I'm still not convinced that that means that all the rules are being processed the same way.

The final point I want to make is that if we're going to do this engaging Congress and state legislatures is another important thing because if they understand this process through some kind of participation, we'll get more support because I think one of the things we all agree on here is that we have to figure out how to simplify the rules. If they're not engaged in that process, there's no technical thing we can do. Thanks.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Thank you. We asked these four representatives of states because what we wanted to do was get a dose of reality about what's out there today, what the challenges are, and I think I said in my introductory remarks, it seems like weeks ago, but I think it was only this morning, that we know that there's a huge gap. Some might call it a gorge between where we are today and where we need to be in 2014.

What I heard, just a very quick summary, and then I'm going to turn to my colleagues and get into some back and forth, is for states struggling with this and taking very different approaches. One approach, Kansas, in a unique situation being a Medicaid only agency already, but talking about building out a new system that meets the compliance of what essentially an exchange would do. We heard Arizona saying we're talking about building on top of our existing system because we think we can make that work. We heard Illinois saying, if somebody has got a great idea, we're happy to adopt it. We heard California being one of the most complex environments that I also happen to know well saying we're not sure what to do. It's complex, and we haven't quite figured it out.

I'm sure, in each of the states, and we heard some smattering of this, it's not just about what's the right technology solution. There are changes of state administration going on in many states right now, labor issues and other issues as well that compound these things.

The things that I heard that I thought were specific to us, one, a concern about getting to 2014. Andy's point about you're farther ahead of the game and suggests, how is anybody else going to be able to get there if you're barely just going to get there? Two, I heard acknowledgement of consumers' use of online tools, and we've heard that repeatedly today. I heard some good examples in this panel; three, across the board support for standards and support for NIEM, one of our recommendations. Four, the importance of working with community-based organizations and the role that CBOs can play, not just in assisting families, but taking some of the burden off of state government. Ivan, and we've heard it in other places, the idea of third party applications that can deliver data directly to the Medicaid agencies. Five, this challenge that we talked about at our workgroup quite a bit, the horizontal versus the vertical integration and the desire to do horizontal, the challenges with doing that, particularly in the timeframe that we have to do it, particularly across multiple agencies, and so I'll leave it with that.

Then Ivan raised an issue that I haven't heard anybody raise, maybe just in name only, that I happen to think is one of the most critical issues, and that's governance and how governance is going to be managed when you have all these disparate systems in different organizations. I've learned in my own experience that without solid governance, you can't make this stuff. You may stand it up, but in terms of trying to get it to work, it's going to be very difficult. Let me thank you for your opening remarks. I think it was tremendously helpful and instructive to us, and I think we could have brought in any group of four states and probably heard similar kinds of reactions, so thank you to staff for selecting states that give us this breadth of experience. With that, let me turn to my colleague, Sally.

Sallie Milam – State of West Virginia – Chief Privacy Officer
I want to first thank you for your rich testimony. It was really helpful to hear your remarks. I just have a couple of questions. Linda from Arizona, I heard you say that you'll be pulling applicants' data from the MMIS data to resolve discrepancies. Ivan, you said it would be helpful to pull information from community organizations. I wanted to ask you all in particular if it would be helpful to get guidance around notice and consent to facilitate that data sharing, or do you feel you have enough guidance already in the system or from regulations or other sources?

Linda Skinner – Arizona DMS – Assistant Director
In Arizona, I think we believe that we've put enough information into the Healthy Arizona system so that people understand when they're applying online where their information is going and who might need to look at it. So I feel pretty good about where we are. We've been very careful about security. As I said, we have a lengthy security document attached to my testimony. As we encounter issues, I think we figure out what is the right thing to do. We build a protocol around that, and so I'm pretty comfortable where we're at today. I know there are new challenges ahead with pulling in IRS data, which I don't think the public will necessarily like at all, but I think that we are on the road to understanding what those issues are, as we're putting more and more tools out there.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
Illinois, we are looking toward our health information exchange probably to be the hub for a lot of this, and part of that we expect to do consent management. I think we would like very much to have some standardized sets of rules around consent that we could use because that is an area I think we need some guidance on and concrete guidance. We're just in a situation. This is the situation Illinois is in, and we see the HIE as kind of a base infrastructure for all of this stuff.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Paul, Sue, and then Gopal.

Paul Egerman – Software Entrepreneur
First, I want to thank all four of you for excellent presentations, and very thoughtful comments. I do have two questions, first for Linda. You were talking about the process of establishing a new account for

individuals, giving them passwords, and you said we do verification of identity. Can you tell me how you do verification of identity?

Linda Skinner – Arizona DMS – Assistant Director
That's a lengthy process. What we do is when we establish, when someone initially establishes an account in Healthy Arizona, they don't actually have an electronic signature unless we already know them and have confirmed their identity, or we go through the process on the eligibility side of making a determination of their identity. So all the requirements in Medicaid and CHIP for confirming someone's identity are used, and that together, once that's done, we have a complete signature.

Paul Egerman – Software Entrepreneur
Is that describing your security document?

Linda Skinner – Arizona DMS – Assistant Director
I don't know. My vendor is in the room. Is it, Bobbie?

Paul Egerman – Software Entrepreneur
The answer was no, it's not described….

Bobbie Wilbur – Social Interest Solutions – Co-Director
… document, but we can ….

Paul Egerman – Software Entrepreneur
If you can get us some information, that'd be helpful. My second question was for Ivan, which is, you mentioned at one point it would be helpful if you had like an index of all the citizens of Illinois. Then you said you've got a lot of things on your plate besides the health insurance exchange. You have the health information exchange. My question is, have you considered whether or not there's synergy between those two around this very issue of somehow an index or a directory of citizens that might be helpful for both?

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
Actually, yes. I want to just make it clear, the health information exchange is out of the governor's office, but the staff actually was originally HFS, so we feel like we're the same. This is actually how this idea came about because, if you think about it, once you have the health information exchange, which is going to mediate all of the clinical data, in essence, for anyone who is getting health services in Illinois, that's a citizen database. That's what I was saying earlier about moving, you know, thinking about repositories outside of this particular application. So that's really the origin of the idea we would like to do it. Again, I'm not promising that I'm going to get this done by 2014 or whatever, but there's a lot of enthusiasm around the idea because obviously it makes a lot of sense.

Paul Egerman – Software Entrepreneur
It also makes sense as you sort of think forward to an environment where we have nearly universal coverage. We're not really, in the future, enrolling people. We're really moving them from one program to another, so over 90% of the people should already be known to us in some existing system.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
I agree completely. In fact, one of the things that's been discussed is maybe we could connect up with the secretary of state, a lot of drivers' licenses, a lot of people who are in the system in some way. Again, the number of fields, the descriptions, the other things we need to do would be, there's a lot of work there, but I don't think that's at all the question. We've been having these discussions, but that's all they are so far is discussions. I want to make that clear.

Paul Egerman – Software Entrepreneur
But in doing the discussions, are you also discussing privacy issues that maybe—

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
Yes.

Paul Egerman – Software Entrepreneur
—with drivers license, people don't want their information to be known to Medicaid.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
This becomes part of the consent management issue again, which is again in the HIE, which is where it belongs. I think, again, these are big issues, and I think we'd appreciate the federal government giving us more guidance, and possibly even laws around this. It makes it easier because these are not technical questions. They are completely outside or even a single agency question. They're completely outside of our domain to answer those questions. We need help from the outside to do that.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Sue?

Susan Drury – SEIU – Senior Field Researcher
Well, again, as everyone said, thank you very much for your testimony. I think we learned a tremendous amount about four very different environments and appreciate that. Sam, thank you for your synthesis of it and calling out all of the points that are sort of themes that are important to us that we heard in the testimony. There's one theme that came out a lot in our deliberations that I heard less in your conversations, but I wanted to ask about, and that is our desire to create an environment where states can work together or reuse information from each other or have repositories at the federal level that can be drawn on. Is this something that you're thinking about? Is this something that is realistic for us to be wanting to happen? If so, what should be done? Obviously how quickly, given some of the timeframe issues you've raised, does it need to be done if we're going to get any leverage across states here in implementing the eligibility enrollment? I guess I'm asking that of all of you.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I'll take a shot at an answer, but it's not an answer. It's the multibillion-dollar question. Literally the notice of proposed rulemaking that CMS just came out with last Thursday includes a regulatory impact statement, an estimate of the cost at 98% federal funding, what sharing means. How we get there in a very short amount of time is, I think, still an open question.

Now I have to be very careful, and I really can't say as much as I might speculate because we're out for bid. What I would point to is the innovator award options that proceeded the notice of proposed rulemaking for the Medicaid eligibility systems, and that's an effort by HHS to identify up to five states who can take the lead and create something to copy or share. It's obviously an opportunity that we have to take a look at in our circumstance.

Ivan raised the question, which all I'll do is repeat. Is SOA the basis? Is a cloud system the basis? What does it mean to copy and share? This is a very short amount of time to create a new marketplace, see it operate, and follow through. So we are looking at that option obviously, and the question is, practically, how does that work? I don't know how you create the components and create that marketplace. That's beyond me.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Gopal?

Gopal Khanna – State of Minnesota – Chief Information Officer
Thanks for an excellent presentation. I'm from the state of Minnesota, and we've set up a five-state consortium thinking about looking at MMIS and modernization and seeing if we can standardize. If it's not 100%, even if it is 80% or 20% is still a huge step towards standardization. But coming back to, Andy,

what you just said, is there a way for you to identify for this group some barriers that come in the way, whether it's 20% unique piece? One of the things that, Ivan, you talked about was the rules part of it, maybe state-by-state, and that's where the engagement of the legislature could be upheld because it costs money. Every time they make it unique, there's a cost, and the legislature knows about it. I'm sure they'll be willing to remove some of those barriers. At least we need to engage them.

For us to get a sense of if it's even possible, we know we talk about standardization. The vendors are saying, yes, it will be easier. Reusable code will be much easier to deploy and, therefore, you'll have a huge savings impact for the taxpayer. Maybe the conversation needs to go on the unique piece and say what are those things that are coming in our way. Are there ways to remove those barriers? What are those barriers is my question.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I'm not sure I'm best able to answer that question. I think CMS doesn't— All I know is we're going to need a lot of help from the federal government to change rules. You used the word legislature. If you have to use the word legislature in the answer, we've got a problem. I can tell you that.

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
All I would add, and this is just building on Andy. We're reacting. CMS and SCIO have really already put out the expectation of reusing different systems, so that is going to be, if you want 90/10 funding, they're putting it out there. I think the question really gets to is how do you get from where we are today to what that expectation is and where the piece that might need to be customized, and we don't know. But given California and, as I said, the starting point, we are probably unique, so there'll be definitely some questions about what pieces are that we definitely have to leverage in different ways.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
I guess what I would say is if we want states to share, which I think we want, then we need a governance process. I don't see how it can happen in any other place besides the federal government. That's why, again, I would say let's look at MITA because it's already a process that's in place. I think it could be the vehicle that could allow us to establish the governance because without that vendors are going to be flopping around doing whatever they can. But we're going to have incompatible systems, and we're going to be miserable, as we are now. Maybe that's okay.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I guess one question is whether that federal guidance is something that this committee sees as its role to recommend or whether the CMS OCIIO model is to put five pots of gold out and see if states come to them asking for it. That might be viewed quick differently by states.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Henry, you're the man.

Henry Chao – CMS – CTO
I don't know if you had a chance to listen to some of my remarks last Thursday. I was on two different calls, one in the afternoon with all the states. There's a weekly call. Then there was a separate call just an hour prior to that talking about the announcement of the funding opportunity and then allowing states to ask some questions. One of the things I said was that, under normal circumstances, this funding opportunity announcement would not have happened if, I think, the federal government did not believe that we need to help accelerate kind of some of the activities. So prior to the normal scheduled second round of grants in the spring, we decided to do this to really kind of try to kick start and get the movement going, including the MITA kind of initiative and to reinvigorate it in the context of the exchange and Medicaid and integration kind of initiatives that states have been talking for a long time, along with the federal government.

Sam mentioned a key term, something that is probably the single most important aspect of this, and that is, how do we collaborate? How do we govern this situation? Not just towards 2014, but going into the future, keeping in mind that there is this bigger picture that we're working towards, the vertical and horizontal integration. What are some of your suggestions about how you see the governance in collaboration working together, such as initially on the business architecture? This is really kind of outside of whether if you become one of the cooperative agreement states, or you are waiting along the sidelines observing and trying to call from the process something that you might be able to evaluate and use? How do you see that working? What will help you the most in getting towards 2014?

Guidance is kind of tricky with states. It's kind of like, how many times can I come over to your house for dinner before you get tired of me, that kind of a thing. So we like to keep a balance. We know that you have unique needs. You have unique problems in your environment. But what we want to focus on, this is a key thing that I mentioned on the call is what is it that we can agree on? Not just between the federal government and the states, but across state programs that we clearly all have to work on together? I'd just like some suggestions on how you see that working.

Andrew Allison – Kansas Health Policy Authority – Executive Director
Governance is a very interesting question to me, and it's one that helped slow down our development process for the system in Kansas, and it's one reason why our RFP does not say that it is the starting point for a new human services eligibility system. It just was too hard to resolve that. So in the end what will happen is that the human services agency will have a choice to make. That actually simplifies governance, whether they come to join us. That might be the model that works for states vis-à-vis the five or others that can be copied where you buy a product. You don't have to jointly determine how to do it.

Here's what I would though turn this conversation to. What the federal government can offer is coordination. It's a part across eligibility rules and simplification so that this is easier across agencies, across departments of HHS, across agencies. That, as much as anything, that coordination and the commitment to it, really the open ended commitment to whatever it takes for these 5 or these 50 to make it, that's what we need as much as anything else.

Henry Chao – CMS – CTO
Yes. The good thing is that, I think, in the past three months, we have been really working hard coordinating not just between OCIIO and CMS, but also with homeland security, SSA and IRS, working the background to try to present this uniform set of processes and interfaces to be exposed to the exchange environment. We have a ways to go, but certainly, for the past three months, we've been working hard at building that collaboration so that we can cut down on the misinterpretation of some of the guidance that will come out from each of the programs. My question to you guys is, how do you see this really kind of significantly changing? Is it state-by-state coming in and talking to CMS regional offices or presenting yourself to OCIIO, or do you really think that states are ready to collectively kind of join in the process, for instance, of building out these services?

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
I suggest that one of the kinds of guidance that could really be helpful is that if the Feds would actually implement services that represented their domain. Then what you would have effectively done is decoupled the differences in the states out of the larger domain. It would eliminate a lot of redundancy, and it would also then maybe provide some spirit to states to think about their differences and how they may wish to resolve them because right now every state is confronted by this huge set of mandates, some from the feds, some at the state levels, and some states—Illinois is not one of them—and the county level. So whatever can be done in a concrete way to eliminate just by saying, by the way, here it is. Here's the service. Here's how it works. Allows people to focus more on those issues that are somewhat gnarly and maybe if we could get more focus, we could also find because states want to cooperate. We want to cooperate, but it's much better the way it is now, and that's why I think we would love to see the Feds not just in terms of policy, but in terms of actual technology. Provide us something we could use.

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
Put some things on the shelf that states can pull off.

Andrew Allison – Kansas Health Policy Authority – Executive Director
Yes. From your question about states coming together, I would say, when we talked, every state is in such a different place. I don't know that we're ready for that. What we are ready for, and what you're doing, and we just continue to suggest … it's clearly defining your expectations. You all hold the purse strings financially on states. You have and you will. The clearer you are on how we need to develop these systems and what you're going to expect and what you're going to pay for, that will clearly define how we have to move forward. That goes both on the architecture, but there are a lot of questions that go on beyond this group or IT on policy questions of how the exchange in Medicaid are structured that do drive IT. Until those are all clearly defined, it's hard to think of how states are going to be able to work together or even be able to come to final decisions at a state level in some cases.

Then I do agree that there are services that we can tap into. We have, in our state, been able to do a lot around DRA citizenship verification. But the more we can tap in and just be able to plug and play different pieces that you all create and not have to recreate the wheel in every state, that is definitely a big function that the Feds can play.

Linda Skinner – Arizona DMS – Assistant Director
I think, for us, we are certainly open to all kinds of standardization of technology. We're fine with working with other states, but it is true that other states are so different, and there's really nothing in this law so far that simplifies Medicaid eligibility. It only makes it worse for us at this point. Now I know that CMS promised to keep looking for the simplification, but it hasn't arrived yet, and so we don't know the answer to so many questions. Today it looks as if we will have to maintain everything we do today and add new things on top of that, and so that kind of confusion is distracting from the other issues of technology and standardization and working together. I don't know how to answer that other than the sooner we get answers policy-wise on Medicaid eligibility, the better we're going to be prepared to identify where we'd go from there.

Henry Chao – CMS – CTO
I want to just offer that to the extent possible, we can create something to put on the shelf for you without a lot of active participation on the part of the states and multi-states, we will certainly do that. For instance, these common verification interfaces. But I also feel that the measure of success will be depended upon how well we understand each other, and this is kind of looking out at the diverse kind of landscape of state and state programs and where your starting point is. I think what I'm asking is, I want to find ways to work with you so that I understand your needs better, so we don't put things on the shelf other than the kind of more obvious ones that you can't use, and thus kind of not really promoting this greater ability to accelerate development and having things ready for the finer tuning when policy is determined in order to operate the exchange. Feel free to send me e-mails or share with other states that you're talking to, and contact me, and make some suggestions about how we actually do that.

Andrew Allison – Kansas Health Policy Authority – Executive Director
If I could, one response. Tick tock. The problem is, we can't wait to make these decisions. We put out our RFP at the beginning of this month, so I guess my suggestion is, you'll probably have to come to us. You don't know the answer to this question. None of us know the answer to how to do this to the great unsaid about reform. You find the word just planted. You've got to defend your front. Come to us and start doing something. Half of it, three quarters of it won't work, but you won't know what does until you come.

We don't have time to send you an e-mail. I don't have time to stop my eligibility person from what they're doing and send you an e-mail. That's the honest truth. We don't have that person to do it. I think the strategy here in decision-making, abstracting from the technology, we have a sequence of really

important decisions, and if you wait to actually follow that sequence, we're done. It's over. We went to bid before we knew whether eligibility would be simplified. You bet. We're going to spend a quarter of a million dollars coming up with proposals to CMS to simplify eligibility, and I hope that cheapens our product, as we go along. But we cannot wait for one to do the other. That's a critical issue here. To the credit of OCIIO and CMS, I understand that's partly what the innovator approach will help you to do, but if you can do more of it, please.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
What Andy said is correct, but there is another potential way maybe that we can find the resources, which is the 90/10 match. If it's this important, if I could pay. I need staff. If I could get you to help me to get some staff in there whose sole purpose is to make sure that we're communicating back and forth about what we're trying to do, what you're trying to do, at least one staff, it probably could take more, but that would guarantee the kind of interactions that we're talking about here because all the states, we've lost huge amounts of staff. People have retired. We're not able to rehire. It's a very difficult situation. But if there's money, a lot of times that's how you can get some staff in. I think it would be a good investment because you would get a lot of really valuable information.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
I want to share how I understand that it evolved in the justice domain, an understanding of these things, but they weren't governed by the tick tock issue, and you have to modify that. As I understand it, there was a Bureau of Justice Assistance that conducted focus groups of end users to decide on the particular exchanges, the message sets that they had to have to implement that. An example of that is the RNS message that we used in our computer-aided dispatch. That was originally owned by the Law Enforcement Standards and Technology Council, which came out of the Bureau of Justice. It has now moved over to the International Association of Chiefs of Police, so it is truly owned by that association of individuals.

Now they took years to arrive at those, and you don't have that, but the beauty of this is if you version those message sets, you can start out by putting a stake in the ground quickly, whatever the federal government can produce quickly, and then that can evolve over time through this same approach, like a Bureau of Justice Association. You have a Human Services Association that would facilitate these focus groups to evolve these message sets to a maturity level. Then it's owned by the true people who consume it at that point. I don't know if that's any help.

Henry Chao – CMS – CTO
Yes, I think that's a good suggestion, but it sounded rather black and white with Kansas, with Andrew, that they barely have the bandwidth to kind of keep the trains running on the current schedule.

Lynn Hadden – Fairfax County, VA – Senior Application/Information Architect
Ivan's suggestion about the 90% and you fund right away to conduct those focus groups to get your key message that you have to have and get that out there quickly. Then you take the long-term maturity process to get it to be truly owned by the association. If might be a path to get you ….

Henry Chao – CMS – CTO
The 90/10 is an NPRM, right, so it's going to take some time for that to actually start flowing. There is the original kind of one million dollar grants that were given out, so I'm not 100% sure kind of what you're doing with that and whether if that can carry some of this. I think we'll need to have further conversations. This is why I offer some context. Part of understanding where you're at is really kind of getting almost like a dossier or a profile ranging from where you on program status, funding, contracting, where your IT is, and then beginning to have that conversation. So if I poll the states about where they're at, I think that would help, and then, of course, on the backend, coordinate with CMS, the regional offices that you deal with in terms of the current APD process. We can certainly try to at least not come and ask you the same question over and over again.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I need to take it back, but as I said, we're still trying to figure out where we are today, but having, at some point having that conversation with both the OCIIO and CMS and really laying out, once we understand our game plan, how that's compatible with the approach that our federal partners want to take is something that is important and hopefully can create that partnership and interaction so that you know what to build. That'll be helpful for us. But unfortunately today we're not there, which is a tick tock, and we know it.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Let me ask a question that, Andy, you've kind of touched on, but hasn't really been talked about. It was raised in the panel this morning, I think, by Dave from Accenture, and it's back to the horizontal/vertical question. It has to do with cost allocation, and I was negligent when we started the afternoon session. I didn't introduce Elizabeth Silverman, who is sitting in for Jessica Shahin from USDA who knows something about cost allocation from USDA's perspective. Andy, if I understood what you were saying is that your eligibility work is done currently by your social services administration. Is that right?

Andrew Allison – Kansas Health Policy Authority – Executive Director
Right.

Sam Karp – California HealthCare Foundation – Chief Program Officer
And yet you're going to take over control of that in your new— No, you're going to continue. The issue I'm raising, and maybe this wasn't the right example.

Andrew Allison – Kansas Health Policy Authority – Executive Director
It's a perfect example, and I'd appreciate if you stick with that agency because—

Sam Karp – California HealthCare Foundation – Chief Program Officer
I'll try. Not that I know anybody there, and it's an issue, I know, in California that I'm much more familiar with. I don't know exactly what the proportions are in every state, but I suspect they're similar to California, even though the numbers are different. We have 7.7 million people, is that right, Toby, on …?

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
7.5 million.

Sam Karp – California HealthCare Foundation – Chief Program Officer
7.5 million.

Toby Douglas – California Dept. of Health Care Services – Chief Deputy Director
… 7.7 million ….

Sam Karp – California HealthCare Foundation – Chief Program Officer
On its way to 7.7 million people on Medicaid. We've got 3 million people on food stamps, 1.2 million people on TANF. Similar proportions roughly. If you pull out the Medicaid work into an exchange, and you create the vertical and not maintain the horizontal, how do you maintain the infrastructure that's currently supporting the horizontal? If you get what I'm saying, because there's going to be tremendous pressure on the exchanges after the federal money runs out as two years the federal government committed as part of the ACA to support the exchange operation. The exchanges are supposed to become self-supporting. One way to become self-supporting is to charge fees to the health plans that are members of the exchange, and every state will take on that in a different way, whether everybody come one all or selective, and so on. But if the exchange is doing enrollment for Medicaid, as a separate thing, you'd think they maybe would want to take the Medicaid portion of the funds for enrollment and eligibility. So I wonder how you'd think about that and how that plays into this conversation.

Andrew Allison – Kansas Health Policy Authority – Executive Director
Let me step back a little bit and then dive and then I actually better get on the road to catch a plane, if I could. Yes, it could be the case that there are cost allocation issues when you no longer have Medicaid to spread the fixed costs of the ongoing eligibility systems that there is no way that we can replace in three years alongside the Medicaid and exchange replacement. Yes, there is that issue within the agency that runs that. At the state level, that is not the issue with state spending related to the Affordable Care Act. All of the service related choices that states will face in the benefit package, etc. will overwhelm that few million dollars, even in a big state likely. I don't think that's the issue with the cost of the Affordable Care Act in terms of state spending.

Cost allocation for these eligibility systems is just second or third tier issue for costs for the state. What isn't a third tier issue is the concern over it, and very late in our development process for this procurement. We get a letter from the region and followed up by phone calls from the United States Department of Agriculture telling us that if we didn't go through their advanced funding approval process for a Medicaid and exchange health insurance eligibility system, they're essentially threatening not to fund it down the road, which of course our governor interprets as a cease and desist letter. That will kill health reform if it happens again.

I'm saying this in a public forum because twice we had to go back to them and say, did you really mean that? This is federal grant money. This is an administration priority with the Affordable Care Act. Did you really mean to tell us that we're going to have to wait three to 6 months to go out for bid for a system in order to make sure it includes the horizontal integration that we know we cannot accomplish in the next 3.5 years? Is that what you meant? That cannot happen, and that's what I mean. What we need from the federal government is an open-ended commitment to whatever it does take to overcome those hurdles, and we can't have new hurdles.

Sam Karp – California HealthCare Foundation – Chief Program Officer
I appreciate you saying that, and I hope you understood my question wasn't a point of view on either way. I was trying to surface this issue because I hear people talk about it.

Andrew Allison – Kansas Health Policy Authority – Executive Director
It's a terrific issue. I think it's a second or third tier issue in terms of costs. We're going to save money because an automated system is far more efficient. Our human service agency will save money at their regions because their people will no longer have to spend almost any time processing eligibility for any part of Medicaid. I mean Access, etc. as well, the long-term care population. So there are savings where there are also costs would be the point.

Ivan Handler – Illinois Dept. of Healthcare & Family Services – CIO
The IT maybe it's not a big issue, but it does then go across to the other issue of labor and cost allocations on both. So you can't, and when you start at least in a county administrative system, it is a big issue that is how right now you have in many counties, universal work so that the costs are being allocated across different programs. Going forward, if you do do a vertical approach, which Andy is right, it's hard to think of how you get at that issue of the allocation and the cost of IT and labor are big.

Andrew Allison – Kansas Health Policy Authority – Executive Director
I'm going to have to head off to the airport.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Yes. We're losing our panelists one at a time, but we're very close to time, so let me thank you all very much for answering our questions in writing, for being here today, for your testimony, and we appreciate it very much. It's given us a clear sense of some of the challenges states are facing. Thanks.

M

Good job, Sam, you didn't ask that question at the beginning, or we'd have nobody left. We would have had no meeting.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Right, talk about learning how to clear a room.

M
Very good, very impressive.

Sam Karp – California HealthCare Foundation – Chief Program Officer
We are going to move to our next agenda item, which is our next steps. I don't know what happened, if somebody has got the clicker. Judy, can you system advance for me? It doesn't work that way? No, we're okay. Judy, just click it once. I think we may have a slide come up, or you have it. No. Okay, so we have next steps, and isn't there a slide in the deck on next steps? It's just a schedule of meetings.

Judy Sparrow – Office of the National Coordinator – Executive Director
Yes.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Schedule of tiger team meetings.

Judy Sparrow – Office of the National Coordinator – Executive Director
That is there.

Sam Karp – California HealthCare Foundation – Chief Program Officer
In some ways, and I'm open for discussion about this, we have a schedule that's established, I believe, for all or almost all of the tiger teams to have a next set of meetings. We had hoped, and one of the reasons we had postponed some of the tiger team meetings was to have your informed by today's testimony and discussion. I think what we're looking for, and please, Kristen, correct me if I'm wrong, is for you all to tease out, based on what we've heard today, the summaries that we've tried to provide of these discussions, how the work of these tiger teams may be influenced by what we heard today. I mentioned in the beginning of the conversation that I've initiated some conversations, along with Henry with CMS and OCIIO about prioritizing ways in which this workgroup can be helpful to the administration, and we will get back, hopefully in the next week or so, some direction of priority from the administration, and that also may influence some of our work.

I tried to represent our capacity as just what it is, a group of people who all have full-time jobs outside of this work, but who are ultimately very committed to doing what we can do as a workgroup in an advisory capacity. As I commended you all in our last call, everyone signed up again, so there must be something we're all getting out of feeling like we have a contribution to make. That was really what I had intended in next steps, so if anybody has other ideas or if there are some things that jump out that suggest a new tiger team or a different approach, I'm open to hearing it. Deborah?

Deborah Bachrach – Bachrach Health Strategies – President
To start the committee's resistance of going into sort of the policy issues, the rules, substance of the rules, and we heard both from the vendor community in terms of implementing the systems that simplified rules were important. We heard from the states that consistent, some direction from CMS and simplification and sooner rather than later is important. Is there any authority for us to look at that issue at all and make any statements about it because it does seem to be very integral to the effective implementation of the integrated system that our rules speak to?

Sam Karp – California HealthCare Foundation – Chief Program Officer

This is not, as you referenced, the first time this issue has come up. I turn to staff, actually our attorney staff, who give us some sense. I know what's been said in the past. Rather than me repeating it, Kristen, any?

Kristen Ratcliff – ONC
Yes. I would say that our charge has not changed, and that we should still remain as focused as we can on standards and protocols since that's the authority that this group has been convened under. Unfortunately, although the policy issues are numerous and perhaps ripe for the picking, I think we should probably try and stay as close to standards and protocols as we can. Sorry, not the news you want to hear, but ….

W
Something that I heard in the discussion today was, as much as we can do at the federal level to provide off the shelf solutions is great, including, I heard, a recommendation for some federal expression of business rules, the federal components of eligibility and enrollment. Without us opining on the content of the business rules necessarily, if we help or can work with you all to encourage the development of some standard expressions for those, is that potentially …?

Kristen Ratcliff – ONC
Yes, so we have been, throughout the process, using fairly liberal definition of the term standard, and I think that we have talked about and our business rules recommendations specifically get to standard expression of business rules using a common language. I think that that's fine as long as, as we said in the past, we're not opining on the content of those business rules.

Paul Egerman – Software Entrepreneur
It would seem to me that we could make a recommendation. I don't know to who, either to the secretary or to the national coordinator, that they establish these federal business rules. That would seem to me to be the right recommendation for us to be making that there's a clear need for that, and we make that recommendation. Then the recommendation is accepted. Then the next step is who is involved with establishing those.

W
If we could go further and recommend or examine a standard method of expression of those business rules.

Paul Egerman – Software Entrepreneur
Right.

W
Yes.

Paul Egerman – Software Entrepreneur
That's right. In other words, the recommendation could go a little bit further, but maybe what that would be the right way to approach it for this group and then perhaps get some direction as to whether or not the standards committee or this group or some other group might be involved in articulating it in further detail.

Sam Karp – California HealthCare Foundation – Chief Program Officer
I think that's a helpful clarification. Thank you for raising it, and I will also take it up in the conversations that we are having around prioritization with CMS and with OCIIO as well. I think it's largely a CMS issue here. Any other thoughts about next steps? I'm actually going to deliver you some free time this afternoon, it looks like. Judy, time for public comment.

Judy Sparrow – Office of the National Coordinator – Executive Director

At this point, we will be open for public comment. Anybody in the room wishes to make a comment, please queue up at the microphones on the table. Let's just wait a moment and see if anybody dials in. Yes, please state your name and your organization.

Cathy Senderling-McDonald – CWDA of California – Senior Legislative Advocate
Sure. Thank you. Cathy Senderling-McDonald with the County Welfare Directors Association of California. I was here for the same conference that Mr. Douglas was, so trailed him to the meeting today, and just wanted to give some thoughts. A little bit will be things that you've talked about that I jotted some notes down after a decade of experience with the systems that Mr. Douglas described that do run the eligibility and enrollment side of things, not just for Medicaid, but also for SNAP and for TANF at the county level. I think, after hearing the panel this afternoon, I feel lucky to be in California. We are, relative to a lot of other states, pretty far ahead, I think. As you heard, for example, from Mr. Allison where they are just going to rebid a system that is very basic and does not do a lot of interaction with clients, does not support a lot of the eligibility functions that their workers have to do, it's going to take them a long time to get there. We already have that in place, and so just some sort of lessons or thoughts for you all as you continue to deliberate and work on your deliverables.

We did start with a horizontally integrated system. The system does integrate with Medicaid, TANF, and with SNAP. We did that from the get go. It's been like the whole time, and that has worked well for us. I know that states are in different places on whether to do this now or wait and add those systems in later, but I wanted to let you know that our systems are integrated in that fashion and that that has been good for us.

They're also scaleable. Sam gave the numbers. Those represent millions of new people that we've added on just in the last 2.5 years with the recession: a million or more in MediCal, a million or more in our SNAP program, around 0.5 million in our TANF program, so the numbers are big that we've added in, in a short space of time. This system sort of accommodated that, and so it's really important, I think, as we look forward to 2014 to think about the systems that exist in states and what states are building. Are they scaleable in that way?

As well, the Internet capacity, which Mr. Douglas touched on, all three of the systems, the county systems that he mentioned will be connected with Internet based applications by next month. I wanted to clarify that. There was some different information given this morning, so I just wanted to make sure that that was understood. And there will be a simple, I don't want to call it a portal, but a simple Internet site that connects all three of those together by January. And so folks can go to one Web site address and connect through depending on which county they are, so all 58 counties will be hooked into that as well.

As well, the systems, as Mr. Douglas indicated, are really focusing on that service oriented architecture approach. That seems to be the state of the art, but making sure to do what Mr. Allison indicated, those real time connections is going to be really important. I know that was contained in the recommendations that you earlier submitted to the administration. I wanted to just praise that and say right now a lot of the interfaces that we have are batch processes, and we did comment as well to the federal government in response to the federal register that's supporting a real time interface to things like the IRS and other interface systems, verification systems is going to be very important.

Just a couple final comments: The consent issues that you raised, I had written that down and actually said to the person next to me when Mr. Handler, sorry he's left, was talking about pulling in information from other systems. I believe Linda from Arizona had said that as well. We have grappled with that. As technology makes it easier for systems to talk to one another, making sure that people understand what their information is going to be used for when they give it to you is extremely important. Ten years of experience with consumer advocates has taught me that foremost. That immediately popped into my mind, so it definitely seems like a good charge for this group would be to thinking about how we inform people and then how we use that information and be consistent with those.

I really thought the discussion around whether IT is driving the policy or the policy is driving the IT was a great one. I've been a strong proponent historically, folks from California will know, of the policy driving the IT and not the other way around. So in a situation where we are waiting for policy direction from the federal government in so many ways, it does create some difficulties for going forward. I think it seems fair to say, you'll see states in different places of sort of leaping before that information comes out, waiting to hang back.

So, just finally, we are glad to help. We've also submitted written comments in the past to this group. As you look forward to figuring out the best way to develop these systems, the necessary verifications and getting data into them, to support a seamless eligibility determination in an environment where there are many paths that could be taken to get into the systems, but that all of those paths should lead to coverage. Thank you for your time.

Judy Sparrow – Office of the National Coordinator – Executive Director
Thank you, Ms. Senderling, and I'll turn it back to Sam. There are no phone comments.

Sam Karp – California HealthCare Foundation – Chief Program Officer
Well, let me just thank you all for your patience and forbearing, your participation today, for your presence here today. I want to thank those colleagues who are on the phone and participated as well. And we have another, the next workgroup meeting is scheduled for December 8th, and that is a teleconference, not an in-person meeting. I suspect there will be communication in between from the tiger teams. I'd like to be able to promise that I could sit down and write a summary of everything that happened today, and I'm going to defer to staff to at least try to do that in terms of the high points of today to make sure that the tiger teams, particularly for those workgroup members who did not participate today, have access to at least a high level summary of some of the things that we all heard that will inform our work going forward.

Again, thank you to members of the public who were here, the vendors from this morning, the Medicaid directors, those listening on the phone. Very much appreciate everybody's participation. We're adjourned.

Public Comment Received During the Meeting

1. An agile 'work in progress' is great but you need TIGHT communications with the users. We need to give feedback about our instructors, about the course. The students' voice needs to be heard.

2. Is there a taskforce group that addresses this area?

3. Currently, as an IT consultant and enrolled in the first cohort group certification program, we have a group of students that have volunteered to track typos etc. We are having some serious challenges with erroneous materials but to no avail. the response 'we have no control over that until the next cohort group comes through'. Real Time changes nationwide is do-able. 4light@gmail.com I can help.

4. Recommend: closer communications with the users!